STATE OF ALABAMA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
September 30, 2000

Don Siegelman
Governor

Lucy Baxley
State Treasurer

Henry C. Mabry, III
Director of Finance

Susan D. Parker
State Auditor

Prepared by the
Department of Finance, Office of the State Comptroller
Robert L. Childree • State Comptroller

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INTRODUCTORY SECTION

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DON SIEGELMAN
Governor

HENRY C. MABRY, III
Director of Finance

ROBERT L. CHILDREE
State Comptroller

March 31, 2001

To the Honorable Governor,
Members of the State Legislature, and
the Citizens of Alabama:

I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the State of Alabama for the year ended September 30, 2000. I believe the information as presented is accurate in all material respects and complies with Article IV, Section 72 of the *Constitution of Alabama of 1901* and Section 41-4-3(4) of the *Code of Alabama 1975*, as amended. The completeness and fairness of the presentation, including all disclosures, rests with the State's management. This report complies with Article V, Section 137 of the *Constitution of Alabama of 1901* and Section 36-16-1(6) of the *Code of Alabama 1975*, as amended, as the financial report for the State Auditor, State Treasurer, and State Comptroller.

Description of CAFR

The Comprehensive Annual Financial Report is divided into three sections:

- **The Introductory Section** contains this letter of transmittal, which includes financial highlights for 2000, the Certificate of Achievement for Excellence in Financial Reporting for the September 30, 1999 CAFR, a list of principal officials at September 30, 2000, and the State organization chart.
- **The Financial Section** includes the general purpose financial statements (combined statements and notes), combining financial statements, individual fund and account group statements, supplemental statements and schedules, and the Independent Auditor's Report.
- **The Statistical Section** includes selected financial and demographic information about the State, with an emphasis on multi-year trends.

This report presents financial information on all of State government as a single reporting entity. While State law allows many State organizations to operate largely independent of the daily central control and scrutiny of the State Finance Department, State Auditor, and State Treasurer, this report combines the financial data of all State organizations in order to present a comprehensive picture of State finances. The numerous departments, agencies, elected officials, boards, commissions, authorities, colleges, universities, and other organizational units of the State are included in this report in accordance with standards established by the Governmental Accounting Standards Board. These standards make a distinction between organizations which are considered to be part of the primary government of the State and those which are component units. A component unit is defined as a legally separate corporate entity for which the State is considered to be financially accountable. The criteria used to determine financial accountability includes the appointment of a majority of the governing board, the ability of the State to impose its will on the organization, and the potential for the organization to be a financial benefit or financial burden to the State. The State is also considered financially accountable for any organization having an independently appointed board if that organization is fiscally dependent on the State. An organization is fiscally dependent if it is unable to adopt a budget, set rates or charges, or issue bonded debt without the approval of the State. Component units can be reported as if they are a part of the primary government ("blended presentation") if they provide services solely to the government, but most of the State's component units do not and are therefore presented separately ("discrete presentation") in these financial statements. The largest of the blended component units includes the Corrections Institution Finance Authority, Industrial Access Road and Bridge Authority, and the Building Renovation Finance Authority. The most significant discretely presented component units are the Retirement Systems of Alabama, the Alabama Water Pollution Control Authority, the Department of Mental Health and Mental Retardation, the Alabama Housing Finance Authority, the four-year colleges and universities, and the Alabama Public School and College Authority. Note 1 to the financial statements provides a more complete description of the State's reporting entity.

Economic Condition and Outlook

In the past three years, Alabama's economy has been driven by growth in consumer spending, services, residential, and commercial construction, and state and local governments. Alabama's economy grew 3.4 percent in 2000 compared to 3.5 percent in 1999. Four factors contributed to the slowdown of the state economy in 2000: higher energy prices, high consumer debt, more job losses in manufacturing, and slower income growth. Increased energy prices act as a tax on disposable income, reducing consumer expenditures on other items.

Personal income growth in 2000 grew approximately 4.3 percent compared to 4.4 percent in 1999. Lost manufacturing jobs and increased retail trade jobs result in slower income growth. Failure to add high-wage jobs is the primary reason why state income growth has not kept up with the national rate.

The manufacturing sector, which accounts for about 20 percent of the state's total nonagricultural employment, lost almost 12,000 jobs in the last two years. Durable goods manufacturers lost about 3,000 jobs and nondurable goods producing industries lost 9,000 jobs. Most of the job losses were in the textile and apparel industries. With the exception of transportation equipment manufacturing, all manufacturing industries lost jobs.

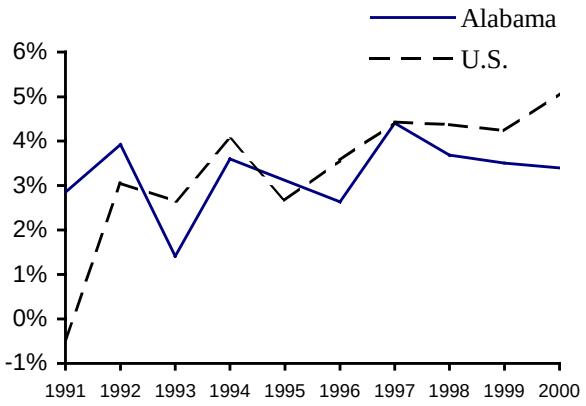
During the first half of 2000, Alabama exports rose by nearly 10.9 percent over the same period in 1999. Most exports were to Canada, Mexico, or Japan. Transportation equipment exports, the state's largest category, declined by 16.2 percent. Chemical products, paper products, industrial and electrical machinery, and electronics exports increased by 23.7, 32.4, 18.5, and 24.8 percent, respectively. These top five products accounted for almost 60 percent of all exports from Alabama during 2000.

Since 1998, when Mercedes-Benz decided to assemble the M-class vehicle at their plant in Vance, Alabama, there has been a phenomenal increase in exports to Austria. Austria is now Alabama's fourth largest export market. Exports to Austria during the first half of 2000 increased by almost 298 percent over the same period last year. Transportation equipment has become the state's largest export and Mercedes-Benz has become the state's largest exporter, sending over $700 million in vehicles and parts to approximately 135 countries around the world.

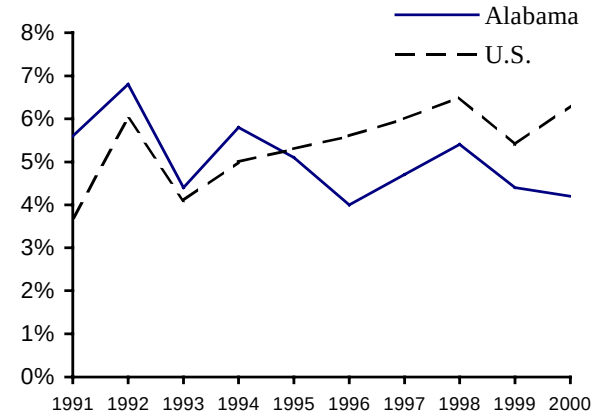
There were approximately 3,600 new jobs in the construction sector in 2000, an increase of 3.6 percent over the previous year. From August 1999 to August 2000, the average selling price of a home increased by 8.5 percent statewide and home sales dropped by 5.8 percent. However, housing sales still remain fairly strong. Strong employment growth and consumer confidence in the economy continue to drive home sales, despite higher interest rates and higher prices in 2000.

The forecast for 2001 is for slower growth than in 2000. Alabama's gross state product is expected to increase by 3.1 percent in 2001. Services, such as technology-related businesses, are expected to remain strong. Slower consumer spending will affect both retail and housing markets. Consumers will reduce their spending because of higher energy prices, inflationary pressures, high consumer debt levels, and a decline in so-called "wealth effects" due to a drop in stock market valuations.

Annual Growth of Gross Product
Last Ten Years



Annual Growth in Personal Income
Last Ten Years



Source: Center for Business and Economic Research, University of Alabama
University Outreach, Auburn University at Montgomery

Major Initiatives

The State of Alabama has become the second largest banking state in the United States. SouthTrust Bank, a Birmingham, Alabama-based bank with $43.9 billion in assets, converted from a national to a state charter and joins AmSouth Bank, Compass Bank, Regions Bank, Colonial Bank, and 126 other state charter banks regulated by the Alabama Department of Banking. The 131 banks now regulated by the department have operations in 16 states representing more than $173 billion in assets. Alabama becomes second only to New York in assets under regulation.

The State of Alabama has agreed to a $64.9 million improvement package for a major expansion of the Mercedes-Benz U.S. International plant in Tuscaloosa, Alabama. The expansion is a result of an increase in production for the next generation Mercedes-Benz M-class sport utility vehicle. The expansion is expected to create approximately 5,900 direct and indirect new jobs and could bring total production volume at the Tuscaloosa facility to approximately 160,000 vehicles annually. Predicted direct earnings will amount to approximately $140 million and indirect earnings will amount to approximately $135 million. The M-class vehicles built in Alabama are sold in more than 135 countries, with the U.S. representing more than half of total sales.

The Governor of Alabama signed an agreement with NASA creating the National Space Science and Technology Center. The center will allow top scientists and engineers in the field to work more closely on common goals of technology advancements, focusing on research in space science, materials science, biotechnology, earth sciences, propulsion, optics and other areas that support NASA's mission. The core facility will house approximately 450 people to include NASA, other government agencies, academia and private industry. In addition, virtual capabilities are located throughout the state and nation at partner facilities. The center will be operated through a partnership between the Marshall Center and the Alabama Space Science and Technology Alliance-a group of six Alabama universities including the University of Alabama in Huntsville, Alabama A&M University, Auburn University, the University of Alabama at Tuscaloosa, the University of Alabama at Birmingham, and the University of South Alabama.

The Alabama Reading Initiative is a statewide movement to improving reading instruction and ultimately achieving 100% literacy among public school students. The Governor of Alabama has invested over $16 million for the expansion of the program to more than 400 schools across the State. The Alabama Reading Initiative provides two weeks of intensive training to teachers transforming the way they teach reading within Alabama public schools. The success of the Reading Initiative can be seen all across the State.

The State of Alabama has invested more than $10 million in a statewide strategic plan for expanding technology in government and public schools. Technology initiatives include: Virtual Library which gives every public school student access to the 2,000 periodicals, 150 newspapers, newswires and government documents to which some Alabama schoolchildren would not have access; Virtual High School which is Alabama's On-line High School (AOHS) that offers courses through the Internet that will allow every public school child to access the courses needed to graduate from High School; Teacher training for teacher technology training programs so that Alabama students will have the skills they need to compete in the 21st century; and E-BAMA which establishes the Office of Information Technology as a department of the executive branch of government and is responsible for administering such programs as related to state government and public schools.

The Governor's academic improvement program has provided $14.6 million to help Caution and Alert schools develop and implement school improvement programs. The number of Caution and Alert schools is at an all-time low and the number of Clear schools are at an all-time high. Also, the program offers grants to reward schools that meet academic goals. Grants go directly to the school and are used by the school to invest in instructional improvement programs and/or materials to be voted on by the teachers.

Financial Information

Internal Controls

The internal controls in the State's accounting system have been designed to comply with Alabama statutes requiring the audit of receipts and receivables; the determination of legality and correctness of each claim and expenditure; and, that funds are appropriated, allotted, and on deposit in the State Treasury before any warrant is issued. The internal controls include manual pre-audit and automated system edits. As an additional control, the State Auditor's Office is responsible for a post-audit of the accounts and records of the Department of Finance and the State Treasurer's Office. These internal accounting controls provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss or unauthorized disposition and the reliability of the financial records from which the financial reports are prepared. The concept of reasonable assurance recognizes that the cost of a control should not exceed the resulting benefits.

Budgetary Controls

Budgetary control is exercised through the Executive Budget Office of the State Finance Department based on the Appropriation Acts of the State Legislature. Alabama's annual Appropriation Acts include legally adopted budgets for the General Fund, the Education Trust Fund, and other budgeted funds. The Appropriation Acts identify the source of funding and the programmatic (functional) areas for which expenditures are authorized. Both the Alabama Constitution and the statutes require a balanced budget for annual financial operations. In the event that revenue collections do not meet budget projections, the Governor is required to prorate appropriations and restrict allotments to prevent an overdraft in any fiscal year for which appropriations are made. Allotments of appropriations are made quarterly based on plans of operations submitted by the departments and agencies. These appropriations and allotments are enforced by automated edits which prevent allotments in excess of appropriations and expenditures in excess of allotments. Encumbrance accounting is utilized as purchase orders are issued to insure that purchase orders plus expenditures do not exceed allotment balances. Controls are further tightened at fiscal year end by checking that the total of purchase orders plus expenditures plus any obligations (accounts payable) incurred against fiscal year appropriations do not exceed allotments, and remaining allotments do not exceed cash in the Treasury.

Cash Controls

The State's controls on cash are fiscally very conservative. Constitutional Amendment 26 prohibits the State Comptroller from drawing warrants on the State Treasury unless there is money on hand to cover those warrants. This is more restrictive at the end of the fiscal year when obligations (encumbrances and accounts payable) cannot exceed the available cash balance (cash less warrants payable). This control is enforced by automated edits and tends to result in positive fund balances, even when GAAP basis accruals are made in the financial statements. Compliance with Amendment 26 is demonstrated in the following exhibits for the General Fund and the Education Trust Fund.

Summary of Receipts, Disbursements, and Cash Balances
General Fund
Last Five Fiscal Years - Cash Basis (Treasury Cash Only)
(Amounts in Thousands)

	2000	1999	1998	1997	1996
Beginning Cash Balance, October 1	**$ 84,298**	**$ 70,712**	**$ 68,192**	**$ 68,160**	**$ 59,575**
Receipts	1,132,078	1,028,897	984,032	913,643	897,516
Disbursements	1,090,268	1,015,311	981,512	913,611	888,931
Net Increase (Decrease) in Cash Balance	**41,810**	**13,586**	**2,520**	**32**	**8,585**
Ending Cash Balance, September 30	**126,108**	**84,298**	**70,712**	**68,192**	**68,160**
Cash Balance Reserved for Obligations	65,662	8,796	38,876	21,017	34,683
Unobligated Cash Balance, September 30	**$ 60,446**	**$ 75,502**	**$ 31,836**	**$ 47,175**	**$ 33,477**

Summary of Receipts, Disbursements, and Cash Balances
Education Trust Fund
Last Five Fiscal Years - Cash Basis (Treasury Cash Only)
(Amounts in Thousands)

	2000	1999	1998	1997	1996
Beginning Cash Balance, October 1	**$ 26,955**	**$ 27,946**	**$ 15,026**	**$ 37,978**	**$ 55,233**
Receipts	4,114,374	3,911,480	3,734,616	3,526,799	3,346,416
Disbursements	4,097,285	3,912,471	3,721,696	3,549,751	3,363,671
Net Increase (Decrease) in Cash Balance	**17,089**	**(991)**	**12,920**	**(22,952)**	**(17,255)**
Ending Cash Balance, September 30	**44,044**	**26,955**	**27,946**	**15,026**	**37,978**
Cash Balance Reserved for Obligations	30,367	2,922	13,792	4,202	13,365
Unobligated Cash Balance, September 30	**$ 13,677**	**$ 24,033**	**$ 14,154**	**$ 10,824**	**$ 24,613**

General Fund and Special Revenue Fund Balances

The fund balances for the General Fund and the Education Trust Fund (ETF) for the last five fiscal years are presented in the following table. The fiscally conservative nature of Amendment 26 tends to produce positive fund balances every year. However, during the 1996 fiscal year, an error was made in the distribution of certain taxes which caused the ETF to have a deficit GAAP balance because it owed the General Fund $29 million to correct the error. The debt between the two funds was cleared in fiscal year 2000.

FUND BALANCES - GAAP Basis
(Amounts in Millions)

	2000	1999	1998	1997	1996
General Fund	$ 87.9	$ 90.9	$ 77.1	$ 86.7	$ 87.6
Education Trust Fund	26.4	(13.6)	(13.6)	(25.2)	(1.3)

General Government Functions - GAAP Basis

General government functions are accounted for in the General, Special Revenue, Debt Service, and Capital Projects funds of both the primary government and the component units. The GAAP basis revenues for governmental funds and the changes from the previous year are shown in the table below (the amounts in the table do not include expendable trust funds).

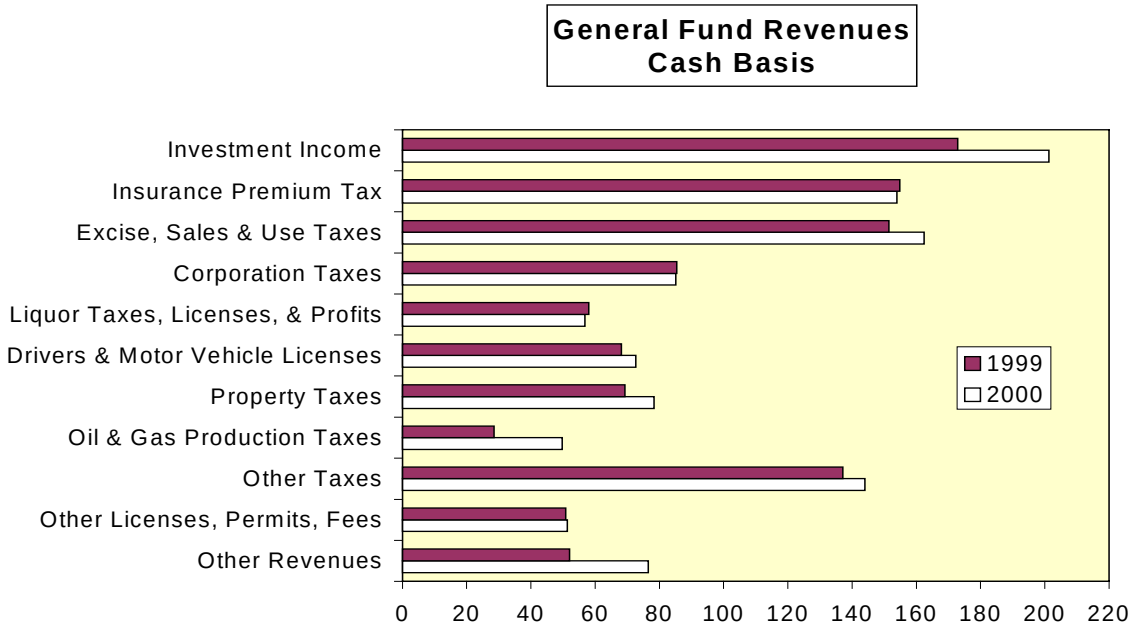
Source	2000 Amount (in 000's)	% of Total	1999 Amount (in 000's)	% of Total	Increase (Decrease) from 1999
Taxes	$ 6,029,326	49.5	$ 5,725,275	51.1	$ 304,051
Licenses, Permits and Fees	469,307	3.8	424,822	3.8	44,485
Fines, Forfeits, and Court Settlements	164,834	1.4	31,053	0.3	133,781
Investment Income	119,252	1.0	73,179	0.7	46,073
Federal Grants and Reimbursements	4,257,589	34.8	3,861,144	34.5	396,445
Other Revenues	1,152,315	9.5	1,067,193	9.6	85,122
Total Revenues	**$ 12,192,623**	**100.0**	**$ 11,182,666**	**100.0**	**$ 1,009,957**

Governmental fund expenditures on a GAAP basis by functional areas and the changes from the previous fiscal year are presented in the table below (the amounts in the table do not include expendable trust funds). The largest dollar increase in expenditures from 1999 to 2000 was in Health-Physical and Mental.

Function	2000 Amount (in 000's)	% of Total	1999 Amount (in 000's)	% of Total	Increase (Decrease) from 1999
Economic Development and Regulation	$ 59,157	0.5	$ 55,385	0.5	$ 3,772
Education and Cultural Resources	3,484,666	30.7	3,242,960	31.5	241,706
Natural Resources and Recreation	49,404	0.4	55,450	0.5	(6,046)
Health - Physical and Mental	3,698,846	32.6	3,397,254	33.0	301,592
Social Services	1,145,938	10.1	1,126,225	10.9	19,713
Protection of Persons and Property	558,140	4.9	553,516	5.4	4,624
Transportation	962,505	8.6	814,724	7.9	147,781
General Government	440,908	3.9	406,941	3.9	33,967
Capital Outlay	319,549	2.8	159,508	1.5	160,041
Debt Service	303,437	2.7	182,077	1.8	121,360
Distributions to Local Governments	322,978	2.8	315,404	3.1	7,574
Total Expenditures	**$ 11,345,528**	**100.0**	**$ 10,309,444**	**100.0**	**$ 1,036,084**

General Fund Revenues and Expenditures - Cash Basis

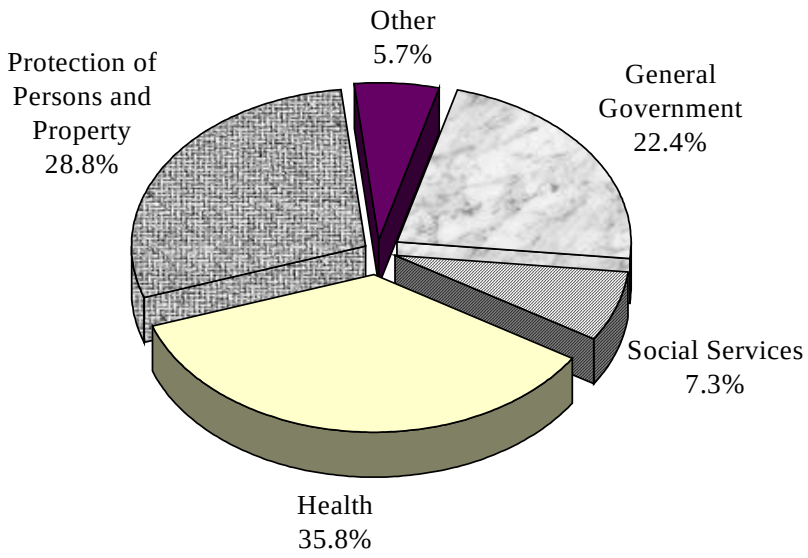
The General Fund accounts for many different governmental functions. Certain revenue sources are earmarked for use only in the General Fund. Total revenues on a cash basis in 2000 for the General Fund were $1.132 billion, an increase of $103 million over 1999. The largest increase occurred in Investment Income, which increased $28.3 million. The largest revenue source for the General Fund continues to be Investment Income, accounting for 17.8 percent of total revenues.



Source	2000 Amount (in 000's)	% of Total	1999 Amount (in 000's)	% of Total	Increase (Decrease) from 1999
Investment Income	$ 201,315	17.8	$ 172,987	16.8	$ 28,328
Insurance Premium Tax	153,993	13.6	154,909	15.1	(916)
Excise, Sales & Use Taxes	162,359	14.4	151,364	14.7	10,995
Corporation Taxes	85,053	7.5	85,459	8.3	(406)
Liquor Taxes, Licenses, & Profits	56,806	5.0	58,109	5.7	(1,303)
Drivers & Motor Vehicle Licenses	72,734	6.4	68,260	6.6	4,474
Property Taxes	78,322	6.9	69,294	6.7	9,028
Oil & Gas Production Taxes	49,652	4.4	28,555	2.8	21,097
Other Taxes	144,017	12.7	137,083	13.3	6,934
Other Licenses, Permits, Fees	51,378	4.5	50,828	4.9	550
Other Revenues	76,449	6.8	52,049	5.1	24,400
Total Revenues	**$ 1,132,078**	**100.0**	**$ 1,028,897**	**100.0**	**$ 103,181**

General Fund expenditures totaled $1.090 billion in 2000, an increase of $74.9 million over 1999. General Fund expenditures are used primarily to support three functional areas of state government: Protection of Persons and Property (28.8 percent), Physical and Mental Health (35.8 percent), and General Government (22.4 percent).

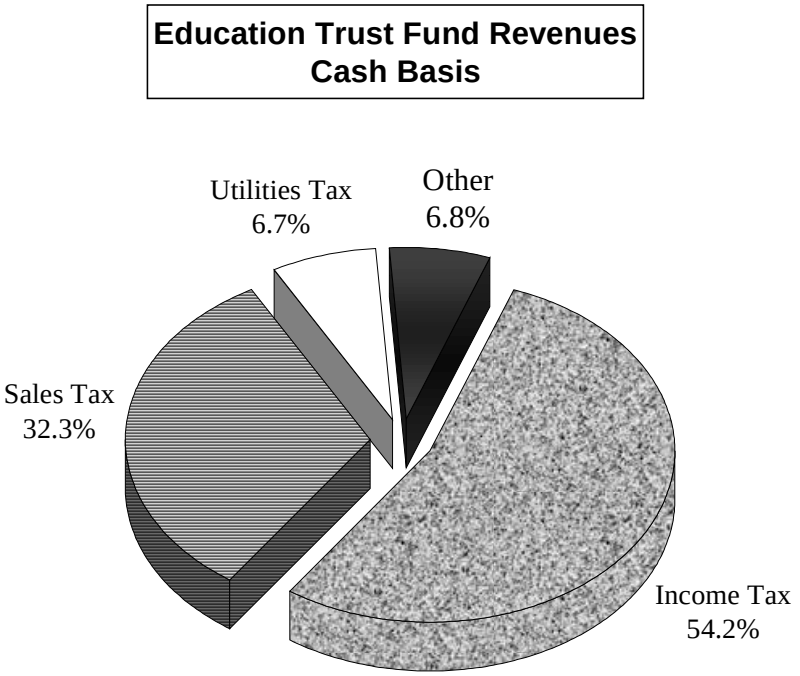
General Fund Expenditures By Function
Cash Basis



Function	2000 Amount (in 000's)	% of Total	1999 Amount (in 000's)	% of Total	Increase (Decrease) from 1999
Economic Development	$ 22,163	2.0	$ 20,194	2.0	$ 1,969
Educational & Cultural	10,135	0.9	9,617	1.0	518
Natural Resources & Recreation	7,430	0.7	6,498	0.6	932
Health - Physical & Mental	389,523	35.8	339,327	33.4	50,196
Social Services	79,758	7.3	59,118	5.8	20,640
Protection of Persons & Property	314,285	28.8	314,646	31.0	(361)
Transportation	215	0.0	245	0.0	(30)
General Government	244,344	22.4	225,615	22.2	18,729
Capital Projects	-	-	52	0.0	(52)
Debt Service	7,095	0.7	25,819	2.6	(18,724)
Distributions to Local Governments	15,320	1.4	14,180	1.4	1,140
Total Expenditures & Other Uses	**$ 1,090,268**	**100.0**	**$ 1,015,311**	**100.0**	**$ 74,957**

Education Trust Fund Revenues and Expenditures - Cash Basis

The Education Trust Fund (ETF) accounts for educational functions. Total revenues and other financing sources for the ETF were $4.1 billion, increasing $202.9 million over 1999. The chief sources of revenues for the ETF remain the Income Tax and the General Sales Tax, contributing 86.5 percent of the total revenues.



Revenue Source	2000 Amount (in 000's)	% of Total	1999 Amount (in 000's)	% of Total	Increase (Decrease) from 1999
Income Tax	$ 2,230,141	54.2	$ 2,068,679	52.9	$ 161,462
General Sales Tax	1,328,332	32.3	1,309,269	33.5	19,063
Utilities Tax	274,263	6.7	258,503	6.6	15,760
General Use Tax	181,845	4.4	176,597	4.5	5,248
Other Taxes	98,634	2.4	97,787	2.5	847
Other Revenues	1,160	0.0	645	0.0	515
Total Revenues	**$ 4,114,375**	**100.0**	**$ 3,911,480**	**100.0**	**$ 202,895**

Expenditures and other uses of the ETF were approximately $4.1 billion in 2000. Ninety-five percent of expenditures from the ETF were used for educational and cultural purposes. The remaining expenditures were used for education related programs.

Proprietary Funds

Internal Service Funds are maintained to account for the operations of State agencies which provide goods and services to other State agencies on a cost-reimbursement basis. These funds provide computer services, information technology, telecommunications, rental of office buildings, janitorial services, building maintenance, printing services, agricultural and manufacturing activities, sale of surplus property, operating and maintaining National Guard training sites, health insurance coverage for state employees, liability protection, and highway-related goods and services. The Building Renovation Finance Authority had a deficit retained earnings of $15.2 million largely because the fund's major assets are buildings, which have depreciated values that are less than the long-term debt associated with them.

Enterprise Funds are used to account for the operations of State agencies that provide goods and services to the public in a manner similar to private business enterprises. The major funds operate facilities for the distribution and sale of alcoholic beverages, operate state park and recreational facilities, operate a public entity risk pool, provide for the operation of the Prepaid Affordable College Tuition program, and provide services for shippers including warehousing, loading, and bulk cargo handling. The Alcoholic Beverage Control Board had a deficit in retained earnings of $5.4 million, largely due to the accrual of liabilities for compensated absences and salaries payable. The Board, by law, operates on a cash basis and is required to distribute 100 percent of its earnings. The Alabama Health Insurance Plan had a deficit in retained earnings of $1.1 million because the fund does not have sufficient reserves to cover the currently estimated amounts of claims payable and Insurance Claims Incurred but Not Reported.

Pension Trust Funds

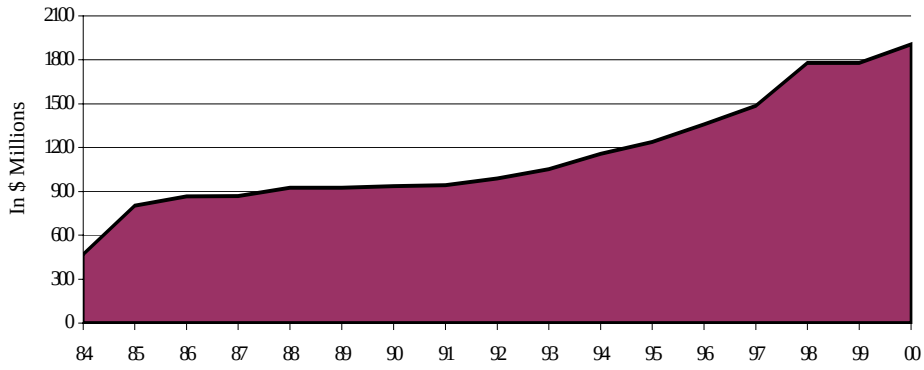
The State operates three major pension funds, the Teachers' Retirement System (TRS), Employees' Retirement System (ERS), and Judicial Retirement Fund (JRF). Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the respective retirement systems' funding status on a going-concern basis. Analysis of this percentage over time indicates whether the respective system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the retirement system. Percentages funded as of the latest actuarial valuation date, September 30, 1999, for ERS (State employees and State policemen) and JRF were 108.2 and 84.2 percent, respectively. The percentage funded for TRS as of June 30, 2000, was 102.5 percent.

The Alabama Heritage and Alabama Trust Funds

Alabama maintains two important nonexpendable trust funds, the Alabama Heritage Trust Fund and the Alabama Trust Fund. Most of the interest income from both funds is transferred to the General Fund. The transfers to the General Fund are generally timed to coincide with debt service payments for general obligation bonds. An additional 10 percent of the earnings of the Alabama Trust Fund are used to fund the Forever Wild Trust Fund.

The Alabama Heritage Trust was created by constitutional amendment in 1982 as an irrevocable, permanent trust fund. As of September 30, 2000, the fund balance was $483.4 million. The Alabama Trust was created by constitutional amendment in 1985 as an irrevocable, permanent trust fund. The fund balance as of September 30, 2000, was $1.421 billion. The principal of both funds consists primarily of proceeds of oil and gas royalties. Within 90 days after September 1, 2001, the trust capital of the Alabama Heritage Trust Fund will be transferred to the Alabama Trust Fund and all aspects of the Alabama Heritage Trust will terminate.

In 2000, the General Fund received $50.7 million from the Alabama Heritage Trust Fund and $77.1 million from the Alabama Trust Fund. Of the $77.1 million received from the Alabama Trust Fund, $15.3 million was distributed equally to the cities and counties to be used primarily for capital improvements. The Forever Wild Trust Fund received $8.6 million from the Alabama Trust Fund. Since their inception in 1982, the Heritage and Alabama Trusts have grown from $470 million to their current balance of $1.905 billion.



Debt Administration

Alabama has traditionally received high bond ratings from both Standard and Poor's Corporation and Moody's Investors Service due in large part to the commitment to sound fiscal management. Both the Alabama Constitution and the statutes require a balanced budget for annual financial operations. The State Constitution prohibits the issuance of debt. Therefore, the only way to issue general obligation debt is by amending the Constitution through a statewide vote of the people. The State does issue revenue bonds which are limited obligations of public corporations governed by State officials. Those revenue bonds are backed by a pledge of specific revenue sources for which the annual collections are generally predictable. The total outstanding general obligation bond indebtedness as of September 30, 2000, was $292.5 million and the total outstanding revenue bond indebtedness for the primary government was $514.1 million. The total outstanding revenue bond indebtedness for component units was $4.471 billion. The total outstanding bond indebtedness for the reporting entity at September 30, 2000, was $5.277 billion. The State's general obligation bond debt per capita decreased to $66 during the year. The ratio of general obligation bond debt to assessed property valuation dropped to .77 percent and the ratio of general obligation debt to personal income dropped to 0.28 percent.

The Incentives Finance Authority issued $135,220,000 in new bonds. The Alabama Public School and College Authority issued $493,190,000 in new bonds. The Water Pollution Control Authority issued $60,430,000 in new bonds. The Drinking Water Finance Authority issued $14,130,000 in new bonds. The Alabama 21st Century Authority issued $50,000,000 in new bonds. The Alabama Revolving Loan Fund Authority issued $12,000,000 in new bonds. The Alabama Housing Finance Authority issued $175,705,000 in new bonds and called approximately $140,915,000 of bonds in advance of their scheduled maturities. The University of Alabama in Huntsville issued $8,900,000 in new bonds. The University of Alabama at Birmingham issued $451,045,000 in new bonds in which the Series 2000D were used to currently refund $75,000,000 of outstanding Series 1997A and 1997B Hospital Revenue bonds.

Cash Management

The State Treasurer has the responsibility for the investment of cash balances. Due to statutory requirements, treasury cash is primarily invested in time deposit--open accounts and in repurchase agreements with Alabama banks. Additionally, the State Treasurer continues the Linked Deposit Program, through which the State Treasurer agrees to accept two percentage points below U. S. Treasury rates for comparable securities, with the resulting savings being passed on to small businesses and agricultural loan applicants.

The State Treasurer has placed considerable emphasis on cash management. In cooperation with State agencies, the receiving of funds into the State Treasury is expedited, with all available funds being invested. Interest earnings during the 1999-2000 fiscal year were as follows:

Time Deposit - Open Accounts- Regular	$ 37.6 million
Time Deposit - Open Accounts- Linked Deposits	$ 4.1 million
Repurchase Agreements	$ 27.6 million
Special Investments	$140 thousand

Interest income is deposited in the State's General Fund to be appropriated by the Legislature for government operations. In addition to the management of the investment of these funds, the State Treasurer has statutory authority to invest for several state agencies, with interest earnings being credited to those agencies.

Risk Management

The State manages risk through risk control and risk financing to minimize the adverse effects of certain types of losses. Risk control is managed by such means as encouraging that automatic sprinkler systems in insured properties are adequate and in full functioning order, carefully investigating and defending claims to minimize loss potential, managing care programs, and promoting healthy employee programs. Risk financing includes self-insurance plus excess insurance and reinsurance through several different funds. The State Insurance Fund, which insures property against fire and casualty losses, has excess insurance and reinsurance to cover any additional damage amounts, plus earthquake and flood damage. The General Liability Trust Fund protects state employees against the risk of loss from employment-related liability claims. Automobile liability is fully reinsured. The State Employee Injury Compensation Trust Fund, which provides benefits to eligible state employees for job-incurred injuries, is self-insured. The State Employees' Insurance Fund, which provides health insurance benefits for current and retired state employees and their dependents, is self-insured. The Public Education Employees' Health Insurance Fund, which provides health benefits for current and retired employees and their dependents of state educational institutions, is also self-insured.

Audit

This CAFR has been audited by the Department of Examiners of Public Accounts. The Examiners conducted their audit in accordance with generally accepted auditing standards and Government *Auditing Standards* issued by the Comptroller General of the United States. The Examiners'unqualified opinion appears at the beginning of the financial section of this report. The State will also undergo an audit of federal programs to conform to the requirements of the *Federal Single Audit Act Amendments of* 1996 and the U.S. *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.* Information relating to the single audit, including the schedule of federal awards, and audit findings and recommendations, is issued in a separate report and will be available at a later date from the Examiners of Public Accounts.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Alabama for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 1999. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

Production of this report would not have been possible without the assistance of all state organizations which supplied financial information vital to the accuracy of this report. As we strive to produce this report in future years and to further enhance its quality, the continued support and cooperation of all agencies remains essential. I also express my appreciation to my entire staff in the Division of Control and Accounts, whose daily efforts to improve the accountability of state government make the quality of this report possible.

Respectfully submitted,

Robert L. Childree
State Comptroller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Alabama

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

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Don Siegelman
Governor

Steve Windom
Lt. Governor

Lucy Baxley
State Treasurer

Jim Bennett
Secretary of State

Charles Bishop
Commissioner of Agriculture and Industries

William H. Pryor, Jr.
Attorney General

Susan D. Parker
State Auditor

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Chief Justice of the Supreme Court

Justices of the Supreme Court

Jean Williams Brown

Ralph D. Cook

John Henry England, Jr.

J. Gorman Houston, Jr.

Douglas Inge Johnstone

Champ Lyons, Jr.

Alva Hugh Maddox

Harold F. See

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Senate President, Pro Tempore

Seth Hammett
Speaker of the House

Ronald L. Jones
Examiners of Public Accounts

Joyce Bigbee
Legislative Fiscal Office

Jerry Bassett
Legislative Reference Service

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Department of Finance

Randall Smith
ABC Board

Ken Funderburk
Alabama Development Office

Melissa M. Galvin
Department of Senior Services

Norman B. Davis, Jr.
State Banking Department

Riley Boykin Smith
Department of Conservation and Natural Resources

Col. James Alexander
Department of Public Safety

James K. Lyons
Alabama State Port Authority

Donald L. Parker
Board of Pardons and Paroles

Nick D. Bailey
ADECA

Adjutant General Willie A. Alexander
State Military Department

Bill Fuller
Department of Human Resources

James Barnhart
Department of Labor

Kathy Sawyer
Department of Mental Health and Mental Retardation

Mark Burson
Bureau of Tourism and Travel

Michael W. Haley
Department of Corrections

Lee Helms
Emergency Management Agency

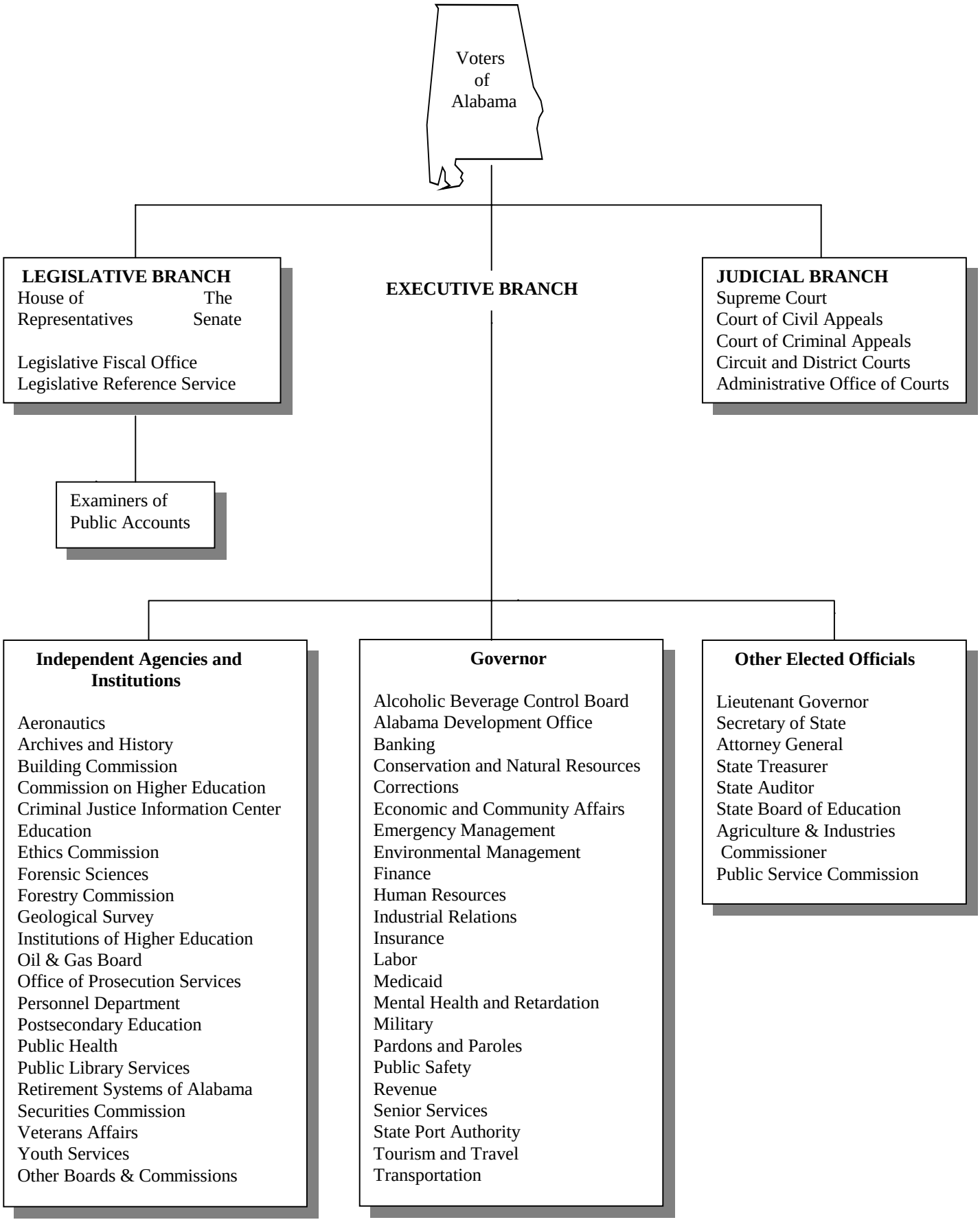
G. M. Roberts
Department of Transportation

Alice McKinney
Department of Industrial Relations

Mike Lewis
Alabama Medicaid Agency

Michael Patterson
Department of Revenue

David Parsons
Department of Insurance


Voters of Alabama
LEGISLATIVE BRANCH
House of Representatives
The Senate
Legislative Fiscal Office
Legislative Reference Service
Examiners of Public Accounts
EXECUTIVE BRANCH
JUDICIAL BRANCH
Supreme Court
Court of Civil Appeals
Court of Criminal Appeals
Circuit and District Courts
Administrative Office of Courts
Independent Agencies and Institutions
Aeronautics
Archives and History
Building Commission
Commission on Higher Education
Criminal Justice Information Center
Education
Ethics Commission
Forensic Sciences
Forestry Commission
Geological Survey
Institutions of Higher Education
Oil & Gas Board
Office of Prosecution Services
Personnel Department
Postsecondary Education
Public Health
Public Library Services
Retirement Systems of Alabama
Securities Commission
Veterans Affairs
Youth Services
Other Boards & Commissions
Governor
Alcoholic Beverage Control Board
Alabama Development Office
Banking
Conservation and Natural Resources
Corrections
Economic and Community Affairs
Emergency Management
Environmental Management
Finance
Human Resources
Industrial Relations
Insurance
Labor
Medicaid
Mental Health and Retardation
Military
Pardons and Paroles
Public Safety
Revenue
Senior Services
State Port Authority
Tourism and Travel
Transportation
Other Elected Officials
Lieutenant Governor
Secretary of State
Attorney General
State Treasurer
State Auditor
State Board of Education
Agriculture & Industries Commissioner
Public Service Commission

FINANCIAL SECTION

State of Alabama
Department of
Examiners of Public Accounts

Ronald L. Jones
Chief Examiner

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying general purpose financial statements of the State of Alabama as of and for the year ended September 30, 2000, as contained in the accompanying Comprehensive Annual Financial Report and listed in its table of contents. These financial statements are the responsibility of the State of Alabama Department of Finance. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained *in Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Employees' Retirement System, the Teachers' Retirement System, the Public Employees' Individual Retirement Account Fund, the Public Employees' Individual Retirement Fund/Deferred Compensation Plan (RSA-1), the Public Education Employees' Health Insurance Fund, the Alabama Heritage Trust Fund, the State Employees' Insurance Board, the Alabama Port Authority, the Space Science Exhibit Commission, and the Alabama Higher Education Loan Corporation were not audited in accordance with *Government Auditing Standards.* An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Alabama as of September 30, 2000, and the results of operations and cash flows of its proprietary fund types, nonexpendable trust funds and certain component units, changes in plan net assets of its pension trust funds, and the changes in fund balances and current fund revenues, expenditures and other changes of the university funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Alabama. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole. The Schedule of Funding Progress on page 123 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. We did not audit the data included in the Introductory and Statistical Sections and, accordingly, express no opinion on it.

In accordance with *Government Auditing Standards,* we are also issuing our report dated March 30, 2001, on our consideration of the State's internal control over financial reporting and on our tests of the State's compliance with certain provisions of laws, regulations, contracts, and grants.

Ronald L. Jones

RONALD L. JONES
Chief Examiner of Public Accounts

March 30, 2001

FINANCIAL SECTION
General Purpose Financial Statements

COMBINED BALANCE SHEET
All Fund Types, Account Groups, and Discretely Presented Component Units
September 30, 2000
(Amounts in Thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
ASSETS AND OTHER DEBITS					
Cash and Cash Equivalents (Notes 1E, 3)	$ 136,085	$ 989,211	$ 4,920	$ 8,132	$ 98,157
Investments (Notes 1I, 3)	-	35,722	3,458	-	605,607
Accounts Receivable (Note 1G)	-	48	-	-	11,396
Interest and Dividends Receivable (Note 1G)	-	2	83	-	3,655
Mortgages, Notes, and Loans Receivable (Note 1G)	-	-	-	-	-
Employer Contributions Receivable	-	-	-	-	-
Member Contributions Receivable	-	-	-	-	-
Due from Other Funds (Notes 1F, 7)	8,257	24,090	209	-	48
Due from Primary Government (Notes 1F, 7)	-	-	-	-	-
Due from Component Units (Notes 1F, 7)	-	5,539	-	-	-
Due from Other Governments (Note 1G)	-	65,769	-	-	83
Inventory (Note 1H)	2,707	428	-	-	17,441
Restricted Assets (Note 1J)	-	-	-	-	20,481
Securities Lending Collateral (Note 3C)	-	-	-	-	-
Other Assets	8	36,759	-	-	43,894
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	-	-	-	-	352,685
Amount Available in Debt Service Fund	-	-	-	-	-
Amount to be Provided for General Long-term Obligations	-	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	**$ 147,057**	**$ 1,157,568**	**$ 8,670**	**$ 8,132**	**$ 1,153,447**
LIABILITIES, EQUITY, AND OTHER CREDITS					
Liabilities					
Warrants Payable	$ 5,429	$ 39,419	$ -	$ -	$ 693
Accounts Payable	15,965	159,098	-	41	26,475
Salaries Payable	23,543	41,330	-	-	2,969
Interest Payable	-	20	-	-	-
Due to Other Funds (Notes 1F, 7)	5,955	29,074	-	40	11,930
Due to Primary Government (Notes 1F, 7)	-	-	-	-	-
Due to Component Units (Notes 1F, 7)	195	10,860	-	-	3,333
Due to Other Governments	7,422	79,411	-	-	1,296
Deferred Revenue	-	4,677	-	-	8,611
Amounts Held Pending Distribution	-	5	-	-	-
Amounts Held in Custody for Others	14	20,553	-	108	2
Securities Lending Obligation (Note 3C)	-	-	-	-	-
Compensated Absences (Note 1L)	681	1,511	-	-	9,816
Insurance Claims Incurred But Not Reported	-	-	-	-	5,107
Other Liabilities	-	-	-	-	473,659
Notes Payable (Note 5)	-	-	-	-	1,441
General Obligation Bonds Payable (Note 5)	-	-	-	-	-
Revenue Bonds Payable (Note 5)	-	-	-	-	180,972
Capital Lease Obligations (Note 5)	-	-	-	-	2,527
Forward Delivery Agreements (Note 5)	-	-	-	-	-
Total Liabilities	**59,204**	**385,958**	**0**	**189**	**728,831**
Equity and Other Credits					
Investment in Fixed Assets	-	-	-	-	-
Contributed Capital (Note 6B)	-	-	-	-	100,686
Retained Earnings, Reserved (Note 6C)	-	-	-	-	-
Retained Earnings, Unreserved	-	-	-	-	323,930
Fund Balances:					
Reserved for Encumbrances	4,341	49,693	-	-	-
Reserved for Inventory (Note 1H)	2,707	428	-	-	-
Reserved for Specific Purposes (Note 6C)	-	44,903	-	-	-
Unreserved, Undesignated	80,805	676,586	-	-	-
Unreserved, Designated (Note 6C)	-	-	8,670	7,943	-
Reserved for Employees' Pension Benefits (Note 9)	-	-	-	-	-
Total Equity and Other Credits (Note 1N)	**87,853**	**771,610**	**8,670**	**7,943**	**424,616**
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	**$ 147,057**	**$ 1,157,568**	**$ 8,670**	**$ 8,132**	**$ 1,153,447**

The Notes to the Financial Statements are an integral part of this statement.

FUND TYPES	FIDUCIARY	ACCOUNT GROUPS			Totals (Memorandum		Totals (Memorandum
Internal Service	Trust and Agency	General Fixed Assets	General Long-term Obligations	Higher Education	Only) Primary Government	Component Units	Only) Reporting Entity
$ 110,076	$ 1,021,393	$ -	$ -	$ 58,439	$ 2,426,413	$ 1,432,240	$ 3,858,653
218,327	1,677,724	-	-	63,773	2,604,611	28,833,243	31,437,854
3,714	15,512	-	-	20,679	51,349	352,931	404,280
1,709	24,309	-	-	-	29,758	365,566	395,324
-	31	-	-	1,255	1,286	390,092	391,378
-	-	-	-	-	-	33,121	33,121
-	-	-	-	-	-	28,171	28,171
25,277	626	-	-	9,884	68,391	-	68,391
-	-	-	-	-	-	14,411	14,411
613	-	-	-	-	6,152	63,035	69,187
132	-	-	-	-	65,984	536,416	602,400
33,473	-	-	-	7,162	61,211	32,297	93,508
-	-	-	-	-	20,481	4,887	25,368
-	-	-	-	-	-	1,530,523	1,530,523
3,356	1	-	-	47,346	131,364	224,315	355,679
131,581	27,002	1,226,019	-	694,213	2,431,500	2,874,731	5,306,231
-	-	-	8,670	-	8,670	68,474	77,144
-	-	-	640,255	-	640,255	1,564,175	2,204,430
$ 528,258	**$ 2,766,598**	**$ 1,226,019**	**$ 648,925**	**$ 902,751**	**$ 8,547,425**	**$ 38,348,628**	**$ 46,896,053**
$ 2,694	$ 41,567	$ -	$ -	$ -	$ 89,802	$ 43,664	$ 133,466
10,322	357	-	-	18,948	231,206	187,225	418,431
4,482	41	-	-	-	72,365	10,810	83,175
-	-	-	-	-	20	36,359	36,379
5,237	6,271	-	-	9,884	68,391	-	68,391
-	-	-	-	-	-	6,152	6,152
22	1	-	-	-	14,411	63,035	77,446
9,156	14,299	-	-	-	111,584	91,141	202,725
17,407	1,458	-	-	2,850	35,003	272,397	307,400
-	97,735	-	-	-	97,740	-	97,740
16,262	146,973	-	-	42,284	226,196	96,394	322,590
-	-	-	-	-	-	1,530,523	1,530,523
11,300	49	-	183,138	8,432	214,927	77,693	292,620
70,460	-	-	-	-	75,567	-	75,567
25,637	-	-	20,510	88	519,894	65,063	584,957
-	-	-	-	2,611	4,052	58,653	62,705
-	-	-	292,482	-	292,482	-	292,482
95,833	-	-	126,129	111,157	514,091	4,470,738	4,984,829
1,922	-	-	21,224	5,613	31,286	54,171	85,457
-	-	-	5,442	-	5,442	-	5,442
270,734	**308,751**	**0**	**648,925**	**201,867**	**2,604,459**	**7,064,018**	**9,668,477**
-	-	1,226,019	-	565,083	1,791,102	819,372	2,610,474
52,658	-	-	-	-	153,344	26,785	180,129
21,087	-	-	-	-	21,087	27,605	48,692
183,779	-	-	-	-	507,709	291,154	798,863
-	37	-	-	-	54,071	3,548	57,619
-	-	-	-	-	3,135	2,699	5,834
-	1,977,905	-	-	4,939	2,027,747	1,092,580	3,120,327
-	455,414	-	-	113,942	1,326,747	2,845,043	4,171,790
-	-	-	-	16,920	33,533	749,505	783,038
-	24,491	-	-	-	24,491	25,426,319	25,450,810
257,524	**2,457,847**	**1,226,019**	**0**	**700,884**	**5,942,966**	**31,284,610**	**37,227,576**
$ 528,258	**$ 2,766,598**	**$ 1,226,019**	**$ 648,925**	**$ 902,751**	**$ 8,547,425**	**$ 38,348,628**	**$ 46,896,053**

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
All Governmental Fund Types, Expendable Trust Funds, and Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	GOVERNMENTAL FUND TYPES				
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trusts
REVENUES					
Taxes	$ 726,248	$ 5,057,251	$ -	$ -	$ 156,675
Licenses, Permits, and Fees	123,134	346,034	-	-	8
Fines, Forfeits, and Court Settlements	19,171	13,921	-	-	1,277
Investment Income	72,375	9,002	353	389	29,337
Federal Grants and Reimbursements	15	4,224,348	-	-	17,649
Other Revenues	1,151	949,621	6,497	-	22,866
Total Revenues	**942,094**	**10,600,177**	**6,850**	**389**	**227,812**
EXPENDITURES					
Current:					
Economic Development and Regulation	8,607	50,550	-	-	-
Education and Cultural Resources	4,817	3,473,633	-	-	-
Natural Resources and Recreation	5,019	43,850	-	-	17
Health - Physical and Mental	290,587	2,961,712	-	-	-
Social Services	20,982	1,124,956	-	-	220,829
Protection of Persons and Property	315,984	242,156	-	-	-
Transportation	50	962,424	-	-	-
General Government	222,448	218,410	-	-	1,345
Distributions to Local Governments	-	322,978	-	-	-
Capital Outlay	-	4,951	-	2,068	-
Debt Service - Principal Retirement	6,414	27,552	8,558	-	-
Debt Service - Interest and Other Charges	2,066	12,742	9,454	-	-
Total Expenditures	**876,974**	**9,445,914**	**18,012**	**2,068**	**222,191**
Revenues Over (Under) Expenditures	**65,120**	**1,154,263**	**(11,162)**	**(1,679)**	**5,621**
OTHER FINANCING SOURCES (USES)					
Operating Transfers In (Note 1F)	172,528	221,100	11,256	-	8,837
Operating Transfers from Primary Government (Note 1F)	-	-	-	-	-
Operating Transfers from Component Units (Note 1F)	20,085	50,735	-	-	-
Operating Transfers Out (Note 1F)	(164,372)	(336,187)	-	(758)	(26,736)
Operating Transfers to Primary Government (Note 1F)	-	-	-	-	-
Operating Transfers to Component Units (Note 1F)	(95,642)	(890,996)	-	-	-
Bond Proceeds	-	-	-	-	-
Total Other Financing Sources (Uses)	**(67,401)**	**(955,348)**	**11,256**	**(758)**	**(17,899)**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(2,281)**	**198,915**	**94**	**(2,437)**	**(12,278)**
Fund Balances, October 1, 1999 (Note 6)	90,888	566,851	8,576	10,380	469,075
Restatements (Note 6A)	(2)	6,290	-	-	(1,346)
Increase (Decrease) in Reserve for Inventory (Note 1H)	(752)	(446)	-	-	-
Fund Balances, September 30, 2000	**$ 87,853**	**$ 771,610**	**$ 8,670**	**$ 7,943**	**$ 455,451**

The Notes to the Financial Statements are an integral part of this statement.

Totals (Memorandum Only) Primary Government	Component Units	Totals (Memorandum Only) Reporting Entity
$ 5,940,174	$ 245,827	$ 6,186,001
469,176	4,184	473,360
34,369	131,742	166,111
111,456	70,729	182,185
4,242,012	34,068	4,276,080
980,135	240,853	1,220,988
11,777,322	**727,403**	**12,504,725**
59,157	-	59,157
3,478,450	6,216	3,484,666
48,886	535	49,421
3,252,299	446,547	3,698,846
1,366,767	-	1,366,767
558,140	-	558,140
962,474	31	962,505
442,203	37,318	479,521
322,978	-	322,978
7,019	312,530	319,549
42,524	154,832	197,356
24,262	81,819	106,081
10,565,159	**1,039,828**	**11,604,987**
1,212,163	**(312,425)**	**899,738**
413,721	-	413,721
-	136,772	136,772
70,820	168,021	238,841
(528,053)	-	(528,053)
-	(71,887)	(71,887)
(986,638)	(168,032)	(1,154,670)
-	690,969	690,969
(1,030,150)	**755,843**	**(274,307)**
182,013	**443,418**	**625,431**
1,145,770	977,047	2,122,817
4,942	-	4,942
(1,198)	149	(1,049)
$ 1,331,527	**$ 1,420,614**	**$ 2,752,141**

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (Non-GAAP Budgetary Basis)
All Budgeted Funds
For the Fiscal Year Ended September 30, 2000

(Amounts In Thousands)

	GENERAL FUND			EDUCATION TRUST FUND		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	$718,065	$723,857	$ 5,792	$4,111,960	$4,113,215	$ 1,255
Licenses, Permits and Fees	122,150	123,135	985	460	460	-
Fines and Forfeits	38,883	39,197	314	1	1	-
Investment Income	70,953	71,525	572	-	-	-
Federal Grants and Reimbursements	15	15	-	-	-	-
Other Revenues	1,109	1,118	9	182	182	-
Total Revenues	**951,175**	**958,847**	**7,672**	**4,112,603**	**4,113,858**	**1,255**
EXPENDITURES						
Administrative Office of Courts	99,720	99,711	9	-	-	-
Agriculture and Industries	12,834	12,632	202	-	-	-
Attorney General	9,237	9,236	1	-	-	-
Auditor	877	854	23	-	-	-
Commission on Higher Education	-	-	-	13,451	13,053	398
Corrections	174,978	173,466	1,512	-	-	-
Economic and Community Affairs	25,210	24,542	668	-	-	-
Education	-	-	-	2,766,135	2,765,362	773
Emergency Management	4,464	4,348	116	-	-	-
Examiners of Public Accounts	11,629	11,629	-	2,797	2,797	-
Finance	8,608	7,662	946	-	-	-
Governor	5,242	4,781	461	-	-	-
Human Resources	-	-	-	-	-	-
Industrial Relations	692	692	-	-	-	-
Legislature	18,140	15,396	2,744	-	-	-
Medicaid	244,624	244,131	493	-	-	-
Mental Health and Retardation	-	-	-	-	-	-
Postsecondary Education	-	-	-	251,529	251,529	-
Public Health	45,503	45,503	-	18,249	18,127	122
Public Safety	60,671	60,475	196	-	-	-
Public Service Commission	-	-	-	-	-	-
Rehabilitation Services	1,972	1,972	-	27,836	27,836	-
Revenue	77	57	20	-	-	-
Secretary of State	2,080	1,714	366	-	-	-
Transportation	-	-	-	-	-	-
Treasurer	2,705	2,610	95	10	-	10
Youth Services	22,663	22,022	641	48,592	46,087	2,505
Colleges and Universities	-	-	-	839,869	839,869	-
Other	149,522	141,048	8,474	96,274	91,752	4,522
Total Expenditures	**901,448**	**884,481**	**16,967**	**4,064,742**	**4,056,412**	**8,330**
Revenues Over (Under) Expenditures	**49,727**	**74,366**	**24,639**	**47,861**	**57,446**	**9,585**
OTHER FINANCING SOURCES (USES)						
Operating Transfers In (Note 1F)	170,832	172,210	1,378	408	408	0
Operating Transfers Out (Note 1F)	(220,559)	(219,859)	700	(48,269)	(48,269)	-
Bond Proceeds	-	-	-	-	-	-
Total Other Financing Sources (Uses)	**(49,727)**	**(47,649)**	**2,078**	**(47,861)**	**(47,861)**	**0**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**$ 0**	**26,717**	**$ 26,717**	**$ 0**	**9,585**	**$ 9,585**

EARMARKED FUNDS			Totals (MEMORANDUM ONLY)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
$ 949,234	$ 751,093	$ (198,141)	$ 5,779,259	$ 5,588,165	$ (191,094)
363,302	287,467	(75,835)	485,912	411,062	(74,850)
77,432	61,269	(16,163)	116,316	100,467	(15,849)
190,669	150,869	(39,800)	261,622	222,394	(39,228)
5,336,398	4,222,488	(1,113,910)	5,336,413	4,222,503	(1,113,910)
1,540,944	1,219,290	(321,654)	1,542,235	1,220,590	(321,645)
8,457,979	**6,692,476**	**(1,765,503)**	**13,521,757**	**11,765,181**	**(1,756,576)**
13,963	11,702	2,261	113,683	111,413	2,270
12,427	10,206	2,221	25,261	22,838	2,423
2,202	1,236	966	11,439	10,472	967
-	-	-	877	854	23
5,570	3,410	2,160	19,021	16,463	2,558
52,608	42,371	10,237	227,586	215,837	11,749
202,101	154,484	47,617	227,311	179,026	48,285
726,559	603,148	123,411	3,492,694	3,368,510	124,184
79,103	58,232	20,871	83,567	62,580	20,987
2,102	1,308	794	16,528	15,734	794
98,129	78,120	20,009	106,737	85,782	20,955
-	-	-	5,242	4,781	461
865,531	849,598	15,933	865,531	849,598	15,933
78,155	66,213	11,942	78,847	66,905	11,942
-	-	-	18,140	15,396	2,744
2,638,919	2,605,928	32,991	2,883,543	2,850,059	33,484
468,791	449,632	19,159	468,791	449,632	19,159
2,126	1,889	237	253,655	253,418	237
375,209	292,997	82,212	438,961	356,627	82,334
26,707	19,045	7,662	87,378	79,520	7,858
13,141	12,121	1,020	13,141	12,121	1,020
91,793	78,321	13,472	121,601	108,129	13,472
84,277	81,010	3,267	84,354	81,067	3,287
1,389	946	443	3,469	2,660	809
2,578,953	1,012,465	1,566,488	2,578,953	1,012,465	1,566,488
5,555	4,082	1,473	8,270	6,692	1,578
3,298	1,831	1,467	74,553	69,940	4,613
88	88	-	839,957	839,957	-
1,300,177	835,660	464,517	1,545,973	1,068,460	477,513
9,728,873	**7,276,043**	**2,452,830**	**14,695,063**	**12,216,936**	**2,478,127**
(1,270,894)	**(583,567)**	**687,327**	**(1,173,306)**	**(451,755)**	**721,551**
569,728	450,804	(118,924)	740,968	623,422	(117,546)
-	-	-	(268,828)	(268,128)	700
701,166	701,166	-	701,166	701,166	-
1,270,894	**1,151,970**	**(118,924)**	**1,173,306**	**1,056,460**	**(116,846)**
$ 0	**568,403**	**$ 568,403**	**$ 0**	**$ 604,705**	**$ 604,705**

Continued on next page ...

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND OTHER CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (Non-GAAP Budgetary Basis)
All Budgeted Funds (Continued from previous page)
For the Fiscal Year Ended September 30, 2000

(Amounts In Thousands)

	BUDGETARY FUND TYPES					
	General Fund	Education Trust Fund	Earmarked Funds	Special Revenue	Debt Service	Capital Projects
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**26,717**	**9,585**	**568,403**			
Reconciliation to GAAP Basis:						
Perspective Differences:						
Reclassification of budgetary funds to GAAP financial statement fund types	-	(9,585)	(568,403)	106,008	-	349
Basis Differences:						
Accruals of revenues and other revenue adjustments	11,021			135,643	-	13
Accruals of expenditures, expenses and other non-budgeted items	(34,369)			9,317	-	-
To remove asset purchases treated as budgetary expenditures	10			524	-	-
To remove encumbrances recognized as expenditures	4,340			48,937	-	-
Timing Differences:						
Prior budget year revenue adjustments	(7,373)			(74,928)	-	(16)
To remove budget expenditures/expenses not accrued as liabilities	1,107			(6,372)	-	1
To recognize prior budget year expenditures/expenses	(3,734)			(18,385)	-	(684)
Entity Differences:						
Add net operating results for funds not budgeted	0			(1,829)	94	(2,100)
Revenues and Other Sources Over (Under) Expenditures/Expenses and Other Uses - GAAP Basis	**(2,281)**	**0**	**0**	**198,915**	**94**	**(2,437)**
Fund Balances/Equity, October 1, 1999 (Note 6)	**90,888**			**566,851**	**8,576**	**10,380**
Restatements (Note 6A)	(2)			6,290	-	-
Increase (Decrease) in Reserve for Inventory	(752)			(446)	-	-
Increase (Decrease) in Contributed Capital (Note 6B)	-			-	-	-
Fund Balances/Equity, September 30, 2000	**$ 87,853**			**$ 771,610**	**$ 8,670**	**$ 7,943**

The Notes to the Financial Statements are an integral part of this statement.

FINANCIAL STATEMENT FUND TYPES					COMPONENT UNITS		
Expendable Trusts	Enterprise	Internal Service	Nonexpendable Trusts	Pension Trusts	Governmental Funds and Expendable Trusts	Proprietary Funds and Nonexpendable Trusts	Pension Trusts
581	21,193	(5,299)	1,310	(18)	455,181	737	(2,054)
-	92,460	20,359	9,395	-	(35,033)	-	1,117
(7,100)	46,800	(28,133)	-	(15)	27,791	(139)	4,082
5,823	158	12,625	-	-	(16)	29	353
37	640	12,961	-	18	3,204	135	759
-	(72,083)	(2,254)	(9,337)	-	(105,688)	-	(1,053)
1,410	(177)	(794)	-	-	118,061	-	(4)
-	(1,044)	1,779	-	-	(133,783)	-	(460)
(13,029)	470	12,110	127,751	491	113,701	48,923	1,675,986
(12,278)	**88,417**	**23,354**	**129,119**	**476**	**443,418**	**49,685**	**1,678,726**
469,075	**335,206**	**236,308**	**1,848,797**	**24,015**	**977,047**	**304,736**	**23,747,555**
(1,346)	857	(2,143)	(11)	-	-	100	38
-	-	-	-	-	149	-	-
-	136	5	-	-	-	-	-
$ 455,451	**$ 424,616**	**$ 257,524**	**$ 1,977,905**	**$ 24,491**	**$ 1,420,614**	**$ 354,521**	**$ 25,426,319**

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
All Proprietary Fund Types, Nonexpendable Trust Funds, and Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	PROPRIETARY FUND TYPES		
	Enterprise	Internal Service	Nonexpendable Trusts
OPERATING REVENUES			
Charges for Goods and Services	$ 275,476	$ 186,326	$ 65
Investment Income	78,848	12,705	111,496
Insurance Premiums	39,035	675,416	-
Rents and Leases	281	13,885	144,026
Sale of Land, Timber, and Minerals	20	247	406
Interest from Mortgages and Loans Receivable	-	-	-
Tuition Benefits Revenue	2,319	-	-
Licenses and Fees	-	-	483
Total Operating Revenues	**395,979**	**888,579**	**256,476**
OPERATING EXPENSES			
Salaries, Wages, and Benefits	44,023	70,485	-
Utilities and Communications	5,182	16,075	-
Professional Services	5,689	33,236	49
Supplies, Materials, and Operating Expenses	141,121	37,851	-
Interest	-	5,330	-
Depreciation	16,063	20,091	-
Insurance Claims	41,463	667,655	-
Grants to Colleges and Universities	-	-	2,197
Operations and Maintenance	31,960	-	-
General and Administrative	8,618	-	-
Other	11,168	27,400	-
Total Operating Expenses	**305,287**	**878,123**	**2,246**
Operating Income (Loss)	**90,692**	**10,456**	**254,230**
NONOPERATING REVENUES (EXPENSES)			
Taxes	21,491	-	-
Investment Income	2,445	501	-
Other Nonoperating Revenues	2,468	2,996	207
Interest Expense	(10,954)	(116)	-
Other Nonoperating Expenses	(942)	(58)	-
Total Nonoperating Revenues (Expenses)	**14,508**	**3,323**	**207**
Income (Loss) Before Operating Transfers	**105,200**	**13,779**	**254,437**
TRANSFERS			
Operating Transfers In (Note 1F)	4,457	22,017	8,473
Operating Transfers from Primary Government (Note 1F)	-	-	-
Operating Transfers from Component Units (Note 1F)	-	110	1,682
Operating Transfers Out (Note 1F)	(21,240)	(12,552)	(135,473)
Operating Transfers to Primary Government (Note 1F)	-	-	-
Operating Transfers to Component Units (Note 1F)	-	-	-
Total Transfers	**(16,783)**	**9,575**	**(125,318)**
Net Income (Loss) Before Extraordinary Items	**88,417**	**23,354**	**129,119**
Extraordinary Income (Loss)	-	-	-
Net Income (Loss)	**88,417**	**23,354**	**129,119**
Fund Equity, October 1, 1999 (Note 6)	335,206	236,308	1,848,797
Restatements (Note 6A)	857	(2,143)	(11)
Increase (Decrease) in Contributed Capital (Note 6B)	136	5	-
Fund Equity, September 30, 2000	**$ 424,616**	**$ 257,524**	**$ 1,977,905**

The Notes to the Financial Statements are an integral part of this statement.

Totals (Memorandum Only) Primary Government	Component Units	Totals (Memorandum Only) Reporting Entity
$ 461,867	$ 32,422	$ 494,289
203,049	89,656	292,705
714,451	-	714,451
158,192	298	158,490
673	-	673
-	56,845	56,845
2,319	-	2,319
483	-	483
1,541,034	**179,221**	**1,720,255**
114,508	4,293	118,801
21,257	539	21,796
38,974	5,065	44,039
178,972	48,378	227,350
5,330	102,705	108,035
36,154	3,847	40,001
709,118	-	709,118
2,197	-	2,197
31,960	-	31,960
8,618	-	8,618
38,568	1,966	40,534
1,185,656	**166,793**	**1,352,449**
355,378	**12,428**	**367,806**
21,491	-	21,491
2,946	455	3,401
5,671	33,127	38,798
(11,070)	(1,673)	(12,743)
(1,000)	-	(1,000)
18,038	**31,909**	**49,947**
373,416	**44,337**	**417,753**
34,947	-	34,947
-	7,007	7,007
1,792	733	2,525
(169,265)	-	(169,265)
-	(692)	(692)
-	(733)	(733)
(132,526)	**6,315**	**(126,211)**
240,890	**50,652**	**291,542**
-	(967)	(967)
240,890	**49,685**	**290,575**
2,420,311	304,736	2,725,047
(1,297)	100	(1,197)
141	-	141
$ 2,660,045	**$ 354,521**	**$ 3,014,566**

COMBINED STATEMENT OF CASH FLOWS
All Proprietary Fund Types, Nonexpendable Trust Funds, and Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	PROPRIETARY			Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trusts	Primary Government
Cash Flows From Operating Activities				
Operating Income (Loss)	$ 90,692	$ 10,456	$ 254,230	$ 355,378
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Purchase of Program Loans and Investments	-	-	-	-
Proceeds from Program Loans and Investments	-	-	-	-
Investment Income	(78,848)	(12,705)	(111,496)	(203,049)
Taxes	21,491	-	-	21,491
Other Nonoperating Revenues	2,858	1,780	207	4,845
Operating Interest Expense	-	5,330	-	5,330
Other Nonoperating Expenses	-	(54)	-	(54)
Depreciation	16,063	20,091	-	36,154
(Increase) Decrease in Assets:				
Accounts Receivable	667	(875)	11,621	11,413
Due From Other Funds	16	(10,014)	3	(9,995)
Due From Component Units	-	715	-	715
Due From Other Governments	(83)	679	-	596
Mortgages, Notes, and Loans Receivable	-	-	(1)	(1)
Inventory	3,809	970	-	4,779
Other Assets	24,397	(65)	-	24,332
Increase (Decrease) in Liabilities:				
Accounts Payable	(5,562)	(7,498)	-	(13,060)
Due to Other Funds	2,511	1,671	18	4,200
Due To Primary Government	-	-	-	-
Due To Component Units	304	(61)	-	243
Due to Other Governments	326	(488)	-	(162)
Deferred Revenues	343	16,536	-	16,879
Salaries Payable	251	798	-	1,049
Compensated Absences	48	(43)	-	5
Insurance Claims Incurred But Not Reported	1,151	702	-	1,853
Other Liabilities	(21,080)	(2,475)	-	(23,555)
Amounts Held In Custody for Others	1	2,797	-	2,798
Net Cash Provided by (Used In) Operating Activities	**59,355**	**28,247**	**154,582**	**242,184**
Cash Flows From Noncapital Financing Activities:				
Proceeds of Program Revenue Bonds & Other Noncapital Debt	-	-	-	-
Principal Paid on Program Revenue Bonds & Other Noncapital Debt	-	-	-	-
Interest Paid on Program Revenue Bonds & Other Noncapital Debt	-	-	-	-
Grants and Donations	-	-	-	-
Operating Transfers In	10,573	21,986	1,376	33,935
Operating Transfers From Primary Government	-	-	-	-
Operating Transfers From Component Units	-	110	1,682	1,792
Operating Transfers Out	(21,240)	(12,514)	(136,605)	(170,359)
Operating Transfers To Primary Government	-	-	-	-
Operating Transfers To Component Units	-	-	-	-
Net Cash Provided By (Used In) Noncapital Financing Activities	**(10,667)**	**9,582**	**(133,547)**	**(134,632)**
Cash Flows From Capital and Related Financing Activities:				
Proceeds from Issuance of Revenue Bonds and Other Debt	-	-	-	-
Principal Payments on Revenue Bonds and Other Debt	(5,399)	(3,517)	-	(8,916)
Interest Payments on Revenue Bonds and Other Debt	(11,429)	(5,491)	-	(16,920)
Proceeds From Sale of Capital Assets	2,600	5,107	-	7,707
Payments to Acquire or Construct Capital Assets	(18,329)	(20,075)	-	(38,404)
Net Cash Provided By (Used In) Capital and Related Financing Activities	**(32,557)**	**(23,976)**	**0**	**(56,533)**

Component Units	Totals (Memorandum Only) Reporting Entity
$ 12,428	$ 367,806
(204,706)	(204,706)
106,923	106,923
(56,363)	(259,412)
-	21,491
1,991	6,836
103,069	108,399
-	(54)
3,847	40,001
(73)	11,340
-	(9,995)
16	731
-	596
-	(1)
25	4,804
(195)	24,137
(3,537)	(16,597)
-	4,200
13	13
(578)	(335)
21,333	21,171
677	17,556
2	1,051
10	15
-	1,853
(101)	(23,656)
(1,063)	1,735
(16,282)	**225,902**
329,815	329,815
(295,617)	(295,617)
(99,402)	(99,402)
30,902	30,902
-	33,935
7,007	7,007
733	2,525
-	(170,359)
(692)	(692)
(733)	(733)
(27,987)	**(162,619)**
80	80
(820)	(9,736)
(1,248)	(18,168)
-	7,707
(2,384)	(40,788)
(4,372)	**(60,905)**

Continued on next page...

COMBINED STATEMENT OF CASH FLOWS

All Proprietary Fund Types, Nonexpendable Trust Funds, and Discretely Presented Component Units

(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	PROPRIETARY			Total (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trusts	Primary Government
Cash Flows From Investing Activities				
Purchase of Investments	(396,966)	(905,987)	(1,710,476)	(3,013,429)
Proceeds From Sale and Maturities of Investments	327,515	836,173	1,750,140	2,913,828
Interest and Dividends on Investments	56,516	15,283	132,252	204,051
Loan Disbursements	-	-	-	-
Loan Payments Received	-	-	-	-
Interest on Loans	-	-	-	-
Net Cash Provided By (Used In) Investing Activities	**(12,935)**	**(54,531)**	**171,916**	**104,450**
Net Increase (Decrease) In Cash and Cash Equivalents	**3,196**	**(40,678)**	**192,951**	**155,469**
Cash Balance, October 1, 1999	105,723	148,060	114,682	368,465
Restatements and Reclassifications	(4)	-	7	3
Cash Balance, September 30, 2000	**108,915**	**107,382**	**307,640**	**523,937**
Add: Warrants Payable	693	2,694	5	3,392
Less: Restricted Cash (Note 1J)	(11,451)	-	-	(11,451)
Cash and Cash Equivalents, as Reported on Balance Sheet (Note 1E)	**$ 98,157**	**$ 110,076**	**$ 307,645**	**$ 515,878**
Noncash Investing, Capital, and Financing Activities				
Increase (Decrease):				
Disposals and Write-offs of Fixed Assets	(2,953)	(14,474)	-	(17,427)
Transfers and Donations of Fixed Assets	476	158	7,097	7,731
Fixed Assets Acquired by Capital Lease	-	574	-	574
Prior Period Adjustments to Fixed Assets	(471)	(223)	-	(694)
Assets Acquired, But Will Be Paid For In Following Fiscal Year	67	1,221	-	1,288
Assumption of Capital Lease Obligation	-	574	-	574
Interest Accruals and Amortizations	1,076	739	6,043	7,858
Unrealized Gains (Losses) In Investment Fair Value	23,577	(2,951)	(26,796)	(6,170)
Investment Accruals and Other Adjustments	26	343	(7,528)	(7,159)
In Investments From Change in Fair Values	23,577	(2,951)	(26,796)	(6,170)
Prior Period Adjustments to Investments	-	(50)	22	(28)
Operating Transfer In (Out)	-	(3)	5,965	5,962
Transfers (To) From Component Units	6,116	-	-	6,116
Revenue Bond Amortizations and Other Debt Adjustments	404	99	-	503
Prior Period Adjustment of Debt Balances	-	25	-	25
Reconciliations of Cash and Cash Equivalents to Combined Balance Sheet				
Cash Reported on Combined Balance Sheet for Trust and Agency Funds			$ 1,021,393	
Less: Expendable Trusts			(460,850)	
Less: Agency Funds			(252,575)	
Less: Pension Funds			(323)	
Cash and Cash Equivalents on Cash Flow Statement			**$ 307,645**	
Cash Reported on Combined Balance Sheet for Component Units				
Less: Governmental Component Units				
Less: Higher Education Component Units				
Less: Fiduciary Component - Employees' Retirement System				
Less: Fiduciary Component - Teachers' Retirement System				
Less: Fiduciary Component - Crime Victim's Compensation Commission				
Cash and Cash Equivalents on Cash Flow Statement				

The Notes to the Financial Statements are an integral part of this statement.

Component Units	Totals (Memorandum Only) Reporting Entity
(868,763)	(3,882,192)
960,080	3,873,908
37,838	241,889
(103,842)	(103,842)
18,002	18,002
11,351	11,351
54,666	**159,116**
6,025	**161,494**
77,772	446,237
3,469	**3,472**
87,266	611,203
5	3,397
(2,640)	(14,091)
$ 84,631	**$ 600,509**
(96)	(17,523)
-	7,731
-	574
-	(694)
-	1,288
-	574
(44)	7,814
1,276	(4,894)
4,406	(2,753)
1,276	(4,894)
-	(28)
-	5,962
-	6,116
4,276	4,779
-	25
1,432,240	
(769,261)	
(480,239)	
(35,713)	
(62,056)	
(340)	
$ 84,631	

COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS
Pension Trust Funds and Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

		COMPONENT UNITS		
	Pension Trusts	Employees' Retirement System	Teachers' Retirement System	Totals
ADDITIONS				
Contributions				
Employee	$ 411	$ 118,471	$ 212,049	$ 330,931
Employer	-	119,681	277,166	396,847
Total Contributions	411	238,152	489,215	727,778
Investment Income				
Investment Interest and Dividends	1,164	351,453	755,227	1,107,844
Net Increase (Decrease) in Fair Value of Investments	110	327,924	658,975	987,009
Securities Lending Income	-	37,808	64,006	101,814
Total Investment Income	1,274	717,185	1,478,208	2,196,667
Less:				
Investment Expense	(70)	(1,517)	(3,137)	(4,724)
Securities Lending Interest and Fees	-	(35,828)	(60,666)	(96,494)
Net Investment Income	1,204	679,840	1,414,405	2,095,449
Other Additions				
Licenses and Fees	2,699	-	-	2,699
Miscellaneous	-	100	229	329
Operating Transfers In (Note 1F)	3,673	-	-	3,673
Operating Transfers from Component Units (Note 1F)	-	1,588	1,954	3,542
Total Other Additions	6,372	1,688	2,183	10,243
Total Additions	**7,987**	**919,680**	**1,905,803**	**2,833,470**
DEDUCTIONS				
Benefit Payments	3,516	377,634	754,786	1,135,936
Return of Contributions	52	-	-	52
Administrative Expense	269	4,645	6,129	11,043
Operating Transfers Out (Note 1F)	3,674	-	-	3,674
Operating Transfers to Primary Government (Note 1F)	-	-	32	32
Operating Transfers to Component Units (Note 1F)	-	1,997	1,534	3,531
Total Deductions	**7,511**	**384,276**	**762,481**	**1,154,268**
Net Increase (Decrease)	**476**	**535,404**	**1,143,322**	**1,679,202**
Fund Balance Reserved for Employees' Pension Benefits, October 1, 1999 (Note 6)	24,015	7,642,047	16,105,508	23,771,570
Restatements (Note 6A)	-	1	37	38
Fund Balance Reserved for Employees' Pension Benefits, September 30, 2000	**$ 24,491**	**$ 8,177,452**	**$ 17,248,867**	**$ 25,450,810**

The Notes to the Financial Statements are an integral part of this statement.

COMBINED STATEMENT OF CHANGES IN FUND BALANCES
Higher Education Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	CURRENT FUNDS				
	Unrestricted General	Unrestricted Auxiliary	Restricted	Loan Funds	Endowment and Similar Funds
REVENUES AND OTHER ADDITIONS					
Investment Income	$ 22	$ 8	$ 44	$ 2	$ 171
Other Revenues	-	-	-	-	-
Educational and General	126,013	-	3,311	-	-
Auxiliary Enterprises	-	28,260	-	-	-
Endowment Income	-	-	148	-	101
Federal Contracts and Grants	-	-	-	-	-
State and Local Contracts and Grants	-	-	19,528	-	-
Gifts and Bequests	-	-	-	-	-
Private Grants and Contracts	-	-	1,384	8	147
State Appropriations	-	-	-	-	-
Interest on Loans Receivable	-	-	2	7	-
Federal Appropriations	-	-	99,007	6	-
Interest Income	-	-	2	-	-
Expended for Plant Facilities	-	-	-	-	-
Retirement of Indebtedness	-	-	-	-	-
Other Additions	-	-	8,709	17	96
Hospital	-	-	-	-	-
Total Revenues and Other Additions	**126,035**	**28,268**	**132,135**	**40**	**515**
EXPENDITURES AND OTHER DEDUCTIONS					
Educational and General	345,535	-	124,008	1	3
Hospital	-	-	-	-	-
Auxiliary Enterprises	-	30,867	6,116	-	-
Indirect Cost Recovered	-	-	-	-	-
Refunded to Grantors	-	-	109	77	5
Loan Cancellations and Write-offs	-	-	11	53	-
Administrative and Collection Costs	-	-	83	13	8
Expended for Plant Facilities	-	-	-	-	-
Retirement of Indebtedness	-	-	-	-	-
Interest on Indebtedness	-	-	-	-	-
Reduction of Plant Facilities and Equipment	-	-	-	-	-
Other Deductions	-	-	58	1	30
Depreciation Expense	-	-	-	-	-
Total Expenditures and Other Deductions	**345,535**	**30,867**	**130,385**	**145**	**46**
TRANSFERS AMONG FUNDS					
Operating Transfers In (Note 1F)	248,651	-	-	-	-
Operating Transfers from Primary Government (Note 1F)	-	-	-	-	-
Mandatory - Principal and Interest	(10,869)	(156)	-	-	-
Mandatory - Other	(4,700)	-	3	(1)	18
Non-Mandatory	(12,420)	3,062	2	-	(27)
Total Transfers Among Funds	**220,662**	**2,906**	**5**	**(1)**	**(9)**
Net Increase (Decrease) for the Year	**1,162**	**307**	**1,755**	**(106)**	**460**
Fund Balances, October 1, 1999 (Note 6)	39,578	14,420	2,308	484	7,411
Restatements (Note 6A)	505	(41)	(127)	24	213
Fund Balances, September 30, 2000	**$ 41,245**	**$ 14,686**	**$ 3,936**	**$ 402**	**$ 8,084**

The Notes to the Financial Statements are an integral part of this statement.

PLANT FUNDS				Totals (Memorandum Only)		Totals (Memorandum Only)
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Primary Government	Component Units	Reporting Entity
$ 1,741	$ 344	$ 672	$ -	$ 3,004	$ 66,195	$ 69,199
-	-	-	-	-	3,301	3,301
395	1,949	75	-	131,743	750,788	882,531
-	-	-	-	28,260	200,148	228,408
-	-	-	-	249	44,118	44,367
-	-	-	-	-	516,352	516,352
-	-	-	-	19,528	56,462	75,990
-	-	-	-	-	82,703	82,703
194	9	25	-	1,767	70,955	72,722
-	-	-	-	-	943	943
-	-	-	-	9	1,412	1,421
790	-	93	-	99,896	3,023	102,919
23	-	18	-	43	15,844	15,887
6,246	1,016	-	38,365	45,627	227,973	273,600
6	-	-	5,186	5,192	51,095	56,287
434	902	116	9,510	19,784	38,574	58,358
-	-	-	-	-	886,163	886,163
9,829	**4,220**	**999**	**53,061**	**355,102**	**3,016,049**	**3,371,151**
-	-	-	-	469,547	2,007,002	2,476,549
-	-	-	-	-	796,681	796,681
-	-	-	-	36,983	185,719	222,702
-	-	-	-	-	81,958	81,958
-	-	-	-	191	322	513
-	-	-	-	64	684	748
489	623	49	-	1,265	1,194	2,459
14,319	4,826	14	8,943	28,102	176,152	204,254
27	-	6,372	-	6,399	38,840	45,239
19	-	5,684	-	5,703	47,042	52,745
-	-	-	10,321	10,321	24,975	35,296
1,446	2,979	308	795	5,617	47,677	53,294
-	-	-	-	-	127,390	127,390
16,300	**8,428**	**12,427**	**20,059**	**564,192**	**3,535,636**	**4,099,828**
-	-	-	-	248,651	-	248,651
-	-	-	-	-	842,858	842,858
(319)	-	11,329	-	(15)	884	869
350	4,345	5	-	20	-	20
7,956	1,658	(236)	-	(5)	(884)	(889)
7,987	**6,003**	**11,098**	**0**	**248,651**	**842,858**	**1,091,509**
1,516	**1,795**	**(330)**	**33,002**	**39,561**	**323,271**	**362,832**
25,426	7,755	9,362	554,387	661,131	3,515,625	4,176,756
(62)	52	1,309	(1,681)	192	(29,517)	(29,325)
$ 26,880	**$ 9,602**	**$ 10,341**	**$ 585,708**	**$ 700,884**	**$ 3,809,379**	**$ 4,510,263**

COMBINED STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES
Higher Education Funds
For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

REVENUES AND OTHER ADDITIONS	Unrestricted	Restricted	Totals (Memorandum Only) Primary Government	Component Units	Totals (Memorandum Only) Reporting Entity
Educational and General					
Tuition and Fees	$ 108,710	$ 14	$ 108,724	$ 483,325	$ 592,049
State Appropriations	3,272	1,973	5,245	415	5,660
Federal Appropriations, Grants, and Contracts	107	117,645	117,752	445,051	562,803
State Grants and Contracts	811	9,007	9,818	37,475	47,293
Private Gifts, Grants, and Contracts	1,227	813	2,040	111,295	113,335
Indirect Cost Recovery	1,658	1	1,659	53,010	54,669
Endowment Income	58	85	143	27,862	28,005
Sales and Services of Educational Activities	1,541	-	1,541	83,893	85,434
Investment Income	3,384	35	3,419	83,376	86,795
Other Income	6,293	577	6,870	38,554	45,424
Total Educational and General	**127,061**	**130,150**	**257,211**	**1,364,256**	**1,621,467**
Auxiliary and Hospital Enterprises					
Hospital - Sales and Services	-	-	-	852,300	852,300
- State Appropriations	-	-	-	926	926
Auxiliary - Student and Residence Hall Fees	1,465	11	1,476	16,438	17,914
- Sales and Services - Operations	23,943	-	23,943	134,269	158,212
- State Appropriations	-	-	-	198	198
- Other Sources	2,859	-	2,859	52,245	55,104
Total Auxiliary and Hospital Enterprises	**28,267**	**11**	**28,278**	**1,056,376**	**1,084,654**
TOTAL REVENUES	**155,328**	**130,161**	**285,489**	**2,420,632**	**2,706,121**
EXPENDITURES AND TRANSFERS					
Educational and General					
Instruction	27,111	592	27,703	658,277	685,980
Research	-	-	-	335,655	335,655
Public Service	862	3,334	4,196	235,996	240,192
Academic Support	27,283	4,663	31,946	142,109	174,055
Student Services	28,419	17,269	45,688	105,894	151,582
Institutional Support	54,031	3,805	57,836	198,702	256,538
Operation and Maintenance of Plant	36,436	864	37,300	133,367	170,667
Scholarships, Financial Aid, and Fellowships	20,902	76,302	97,204	204,493	301,697
Other	150,490	23,167	173,657	14,264	187,921
Total Educational and General Expenditures	**345,534**	**129,996**	**475,530**	**2,028,757**	**2,504,287**
Transfers:					
Mandatory Transfers	-	-	-	33,599	33,599
Nonmandatory Transfers	-	-	-	962	962
Total Educational and General Transfers	**0**	**0**	**0**	**34,561**	**34,561**
Auxiliary and Hospital Enterprises					
Hospital Expenditures	-	-	-	551,244	551,244
Hospital Transfers	-	-	-	255,260	255,260
Auxiliary Expenditures	30,809	121	30,930	190,291	221,221
Auxiliary Mandatory Transfers	58	-	58	22,897	22,955
Nonmandatory Transfers	-	-	-	72	72
Total Auxiliary and Hospital Enterprises	**30,867**	**121**	**30,988**	**1,019,764**	**1,050,752**
TOTAL EXPENDITURES AND TRANSFERS	**376,401**	**130,117**	**506,518**	**3,083,082**	**3,589,600**
OTHER CHANGES					
Excess of Receipts over Transfers of Revenue	-	1,270	1,270	18,692	19,962
Operating Transfers In	239,267	459	239,726	-	239,726
Transfers In from Primary Government	-	-	-	839,870	839,870
Plant Funds	8,359	216	8,575	(34,874)	(26,299)
Other	(25,084)	(234)	(25,318)	(106,444)	(131,762)
TOTAL OTHER CHANGES	**222,542**	**1,711**	**224,253**	**717,244**	**941,497**
Net Increase (Decrease) In Fund Balances	**$ 1,469**	**$ 1,755**	**$ 3,224**	**$ 54,794**	**$ 58,018**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING BALANCE SHEET
Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	Governmental Funds	Proprietary Funds	Fiduciary Funds	Higher Education	Totals
ASSETS AND OTHER DEBITS					
Cash and Cash Equivalents (Notes 1E, 3)	$ 769,261	$ 84,630	$ 98,110	$ 480,239	$ 1,432,240
Investments (Notes 1I, 3)	31,339	1,311,006	25,641,210	1,849,688	28,833,243
Accounts Receivable (Note 1G)	-	2,977	-	349,954	352,931
Interest and Dividends Receivable (Note 1G)	17	16,755	336,670	12,124	365,566
Mortgages, Notes, and Loans Receivable (Note 1G)	5	353,908	-	36,179	390,092
Employer Contributions Receivable	-	-	33,121	-	33,121
Member Contributions Receivable	-	-	28,171	-	28,171
Due from Primary Government (Notes 1F, 7)	14,050	-	361	-	14,411
Due from Component Units (Notes 1F, 7)	31,891	-	1,565	29,579	63,035
Due from Other Governments (Note 1G)	3,841	530,871	-	1,704	536,416
Inventory (Note 1H)	2,699	784	-	28,814	32,297
Restricted Assets (Note 1J)	-	4,887	-	-	4,887
Securities Lending Collateral (Note 3C)	-	-	1,530,523	-	1,530,523
Other Assets	-	21,888	-	202,427	224,315
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	273,540	48,760	6,481	2,545,950	2,874,731
Amount Available in Debt Service Fund	68,474	-	-	-	68,474
Amount to be Provided for General Long-term Obligations	1,564,076	-	99	-	1,564,175
TOTAL ASSETS AND OTHER DEBITS	**$ 2,759,193**	**$ 2,376,466**	**$ 27,676,311**	**$ 5,536,658**	**$ 38,348,628**
LIABILITIES, EQUITY, AND OTHER CREDITS					
Liabilities					
Warrants Payable	$ 14,064	$ 5	$ 29,595	$ -	$ 43,664
Accounts Payable	30,649	2,672	774	153,130	187,225
Salaries Payable	8,713	7	634	1,456	10,810
Interest Payable	-	33,129	-	3,230	36,359
Due to Primary Government (Notes 1F, 7)	5,999	96	57	-	6,152
Due to Component Units (Notes 1F, 7)	31,891	3	1,562	29,579	63,035
Due to Other Governments	771	90,370	-	-	91,141
Deferred Revenue	-	15,260	7,183	249,954	272,397
Amounts Held in Custody for Others	2,088	85,236	1	9,069	96,394
Securities Lending Obligation (Note 3C)	-	-	1,530,523	-	1,530,523
Compensated Absences (Note 1L)	18,421	112	1,943	57,217	77,693
Other Liabilities	2,431	6,864	4,626	51,142	65,063
Notes Payable (Note 5)	-	27,732	-	30,921	58,653
Revenue Bonds Payable (Note 5)	1,612,392	1,770,475	-	1,087,871	4,470,738
Capital Lease Obligations (Note 5)	-	461	-	53,710	54,171
Total Liabilities	**1,727,419**	**2,032,422**	**1,576,898**	**1,727,279**	**7,064,018**
Equity and Other Credits					
Investment in Fixed Assets	273,540	-	237	545,595	819,372
Contributed Capital (Note 6B)	-	25,285	-	1,500	26,785
Retained Earnings, Reserved (Note 6C)	-	27,605	-	-	27,605
Retained Earnings, Unreserved	-	291,154	-	-	291,154
Fund Balances:					
Reserved for Encumbrances	3,225	-	26	297	3,548
Reserved for Inventory (Note 1H)	2,699	-	-	-	2,699
Reserved for Specific Purposes (Note 6C)	-	-	10,240	1,082,340	1,092,580
Unreserved, Undesignated	157,048	-	662,354	2,025,641	2,845,043
Unreserved, Designated (Note 6C)	595,262	-	237	154,006	749,505
Reserved for Employees' Pension Benefits (Note 9)	-	-	25,426,319	-	25,426,319
Total Equity and Other Credits (Note 1N)	**1,031,774**	**344,044**	**26,099,413**	**3,809,379**	**31,284,610**
TOTAL LIABILITIES, EQUITY, & OTHER CREDITS	**$ 2,759,193**	**$ 2,376,466**	**$ 27,676,311**	**$ 5,536,658**	**$ 38,348,628**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING BALANCE SHEET
Governmental Funds - Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	Mental Health	Public School and College Authority	State Industrial Development Authority	Historical Commission
ASSETS AND OTHER DEBITS				
Cash and Cash Equivalents (Notes 1E, 3)	$ 48,474	$ 584,958	$ 2,012	$ 2,188
Investments (Notes 1I, 3)	6,784	24,317	4	234
Interest and Dividends Receivable (Note 1G)	17	-	-	-
Mortgages, Notes, and Loans Receivable (Note 1G)	5	-	-	-
Due from Primary Government (Notes 1F, 7)	13,979	-	-	-
Due from Component Units (Notes 1F, 7)	-	-	-	-
Due from Other Governments (Note 1G)	3,841	-	-	-
Inventory (Note 1H)	2,654	-	-	45
Fixed Assets (Note 4)	199,393	-	-	68,503
Amount Available in Debt Service Fund	16,446	35,357	519	-
Amount to be Provided for General Long-term Obligations	60,220	1,268,027	18,806	349
TOTAL ASSETS AND OTHER DEBITS	**$ 351,813**	**$ 1,912,659**	**$ 21,341**	**$ 71,319**
LIABILITIES, FUND BALANCES, AND OTHER CREDITS				
Liabilities				
Warrants Payable	$ 4,985	$ 2,907	$ -	$ 250
Accounts Payable	20,349	292	-	377
Salaries Payable	8,531	-	-	173
Due to Primary Government (Notes 1F, 7)	5,630	-	-	21
Due to Component Units (Notes 1F, 7)	-	-	-	-
Due to Other Governments	650	-	-	55
Amounts Held in Custody for Others	2,088	-	-	-
Compensated Absences (Note 1L)	18,048	-	-	349
Other Liabilities	47	2,384	-	-
Revenue Bonds Payable (Note 5)	59,265	1,301,000	19,325	-
Total Liabilities	**119,593**	**1,306,583**	**19,325**	**1,225**
Fund Balances and Other Credits				
Investment in Fixed Assets	199,393	-	-	68,503
Reserved for Encumbrances	2,797	-	-	311
Reserved for Inventory (Note 1H)	2,654	-	-	45
Unreserved, Undesignated	5,680	49,449	1,229	1,235
Unreserved, Designated (Note 6C)	21,696	556,627	787	-
Total Fund Balances and Other Credits (Note 1N)	**232,220**	**606,076**	**2,016**	**70,094**
TOTAL LIABILITIES, FUND BALANCES, AND OTHER CREDITS	**$ 351,813**	**$ 1,912,659**	**$ 21,341**	**$ 71,319**

The Notes to the Financial Statements are an integral part of this statement.

Tennessee Valley Exhibit Commission	Incentives Finance Authority	Revolving Loan Authority	Twenty-first Century Authority	Other Governmental Funds	Totals
$ 507	$ 20,139	$ -	$ 110,912	$ 71	$ 769,261
-	-	-	-	-	31,339
-	-	-	-	-	17
-	-	-	-	-	5
-	-	-	-	71	14,050
-	31,891	-	-	-	31,891
-	-	-	-	-	3,841
-	-	-	-	-	2,699
5,409	-	-	-	235	273,540
502	10,643	-	5,007	-	68,474
2,712	156,949	12,000	44,993	20	1,564,076
$ 9,130	**$ 219,622**	**$ 12,000**	**$ 160,912**	**$ 397**	**$ 2,759,193**
$ -	$ 5,922	$ -	$ -	$ -	$ 14,064
4	1,642	-	7,947	38	30,649
-	-	-	-	9	8,713
-	348	-	-	-	5,999
-	-	-	31,891	-	31,891
1	-	-	-	65	771
-	-	-	-	-	2,088
4	-	-	-	20	18,421
-	-	-	-	-	2,431
3,210	167,592	12,000	50,000	-	1,612,392
3,219	**175,504**	**12,000**	**89,838**	**132**	**1,727,419**
5,409	-	-	-	235	273,540
-	117	-	-	-	3,225
-	-	-	-	-	2,699
-	33,358	-	66,067	30	157,048
502	10,643	-	5,007	-	595,262
5,911	**44,118**	**0**	**71,074**	**265**	**1,031,774**
$ 9,130	**$ 219,622**	**$ 12,000**	**$ 160,912**	**$ 397**	**$ 2,759,193**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Governmental Funds and Expendable Trust Funds - Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Mental Health	Public School and College Authority	State Industrial Development Authority	Historical Commission
REVENUES				
Taxes	$ 132,735	$ 94,599	$ 2,977	$ -
Licenses, Permits, and Fees	139	-	-	-
Fines, Forfeits, and Court Settlements	-	-	-	-
Investment Income	790	34,413	7	119
Federal Grants and Reimbursements	32,634	-	-	592
Other Revenues	192,308	11	200	631
Total Revenues	**358,606**	**129,023**	**3,184**	**1,342**
EXPENDITURES				
Current:				
Education and Cultural Resources	-	-	-	6,074
Natural Resources and Recreation	-	-	-	-
Health - Physical and Mental	446,547	-	-	-
Transportation	-	-	-	-
General Government	-	-	50	-
Capital Outlay	851	241,143	-	-
Debt Service - Principal Retirement	4,455	69,292	2,495	-
Debt Service - Interest and Other Charges	3,221	64,463	1,095	-
Total Expenditures	**455,074**	**374,898**	**3,640**	**6,074**
Revenues Over (Under) Expenditures	**(96,468)**	**(245,875)**	**(456)**	**(4,732)**
OTHER FINANCING SOURCES (USES)				
Operating Transfers from Primary Government (Note 1F)	105,238	26,176	-	4,823
Operating Transfers from Component Units (Note 1F)	116,423	8,466	-	-
Operating Transfers to Primary Government (Note 1F)	(588)	(858)	-	(14)
Operating Transfers to Component Units (Note 1F)	(116,418)	(8,466)	-	-
Bond Proceeds	-	497,338	-	-
Total Other Financing Sources (Uses)	**104,655**	**522,656**	**0**	**4,809**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**8,187**	**276,781**	**(456)**	**77**
Fund Balances, October 1, 1999 (Note 6)	24,491	329,295	2,472	1,514
Increase (Decrease) in Reserve for Inventory (Note 1H)	149	-	-	-
Fund Balances, September 30, 2000	**$ 32,827**	**$ 606,076**	**$ 2,016**	**$ 1,591**

The Notes to the Financial Statements are an integral part of this statement.

Tennessee Valley Exhibit Commission	Incentives Finance Authority	Revolving Loan Authority	Twenty-first Century Authority	Other Governmental Funds	EXPENDABLE TRUSTS Employees' Retirement System	EXPENDABLE TRUSTS Crime Victims Compensation Commission	Totals
$ 502	$ 14,531	$ 483	$ -	$ -	$ -	$ -	$ 245,827
-	-	-	-	-	-	4,045	4,184
-	-	-	131,742	-	-	-	131,742
-	1,642	-	162	-	32,985	611	70,729
-	-	-	-	-	-	842	34,068
141	-	-	1,750	5	45,807	-	240,853
643	**16,173**	**483**	**133,654**	**5**	**78,792**	**5,498**	**727,403**
-	-	-	-	142	-	-	6,216
256	-	-	-	279	-	-	535
-	-	-	-	-	-	-	446,547
-	-	-	-	31	-	-	31
-	-	-	-	-	29,050	8,218	37,318
-	17,710	11,805	41,021	-	-	-	312,530
275	78,315	-	-	-	-	-	154,832
223	11,609	491	717	-	-	-	81,819
754	**107,634**	**12,296**	**41,738**	**452**	**29,050**	**8,218**	**1,039,828**
(111)	**(91,461)**	**(11,813)**	**91,916**	**(447)**	**49,742**	**(2,720)**	**(312,425)**
114	-	-	-	421	-	-	136,772
-	28,959	-	14,161	-	12	-	168,021
-	-	-	(70,424)	-	-	(3)	(71,887)
-	(28,959)	-	(14,161)	(5)	(23)	-	(168,032)
-	132,236	11,813	49,582	-	-	-	690,969
114	**132,236**	**11,813**	**(20,842)**	**416**	**(11)**	**(3)**	**755,843**
3	**40,775**	**0**	**71,074**	**(31)**	**49,731**	**(2,723)**	**443,418**
499	3,343	-	-	61	608,809	6,563	977,047
-	-	-	-	-	-	-	149
$ 502	**$ 44,118**	**$ 0**	**$ 71,074**	**$ 30**	**$ 658,540**	**$ 3,840**	**$ 1,420,614**

COMBINING BALANCE SHEET
Proprietary Funds - Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	Housing Finance Authority	Higher Education Loan Corporation	Water Pollution Control Authority	Space Science Exhibit Commission	Supercomputer Authority
ASSETS					
Cash and Cash Equivalents (Notes 1E, 3)	$ 235	$ 10,471	$ 62,377	$ 2,653	$ 1,703
Investments (Notes 1I, 3)	1,037,176	25,623	223,781	-	-
Accounts Receivable (Note 1G)	-	-	2,207	770	-
Interest and Dividends Receivable (Note 1G)	11,325	1,423	3,715	-	-
Mortgages, Notes, and Loans Receivable (Note 1G)	300,000	53,908	-	-	-
Due from Other Governments (Note 1G)	-	-	479,715	-	-
Inventory (Note 1H)	-	-	-	496	-
Restricted Assets (Note 1J)	-	-	-	4,887	-
Other Assets	11,261	725	6,960	1,345	-
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	-	-	450	39,075	1,069
TOTAL ASSETS	**$ 1,359,997**	**$ 92,150**	**$ 779,205**	**$ 49,226**	**$ 2,772**
LIABILITIES AND FUND EQUITY					
Liabilities					
Warrants Payable	$ -	$ -	$ 2	$ -	$ 3
Accounts Payable	294	267	263	1,221	358
Salaries Payable	-	-	-	-	-
Interest Payable	28,181	340	3,733	545	-
Due to Primary Government (Notes 1F, 7)	-	-	82	-	1
Due to Component Units (Notes 1F, 7)	-	-	-	-	3
Due to Other Governments	-	-	71,028	-	8
Deferred Revenue	12,338	-	1,657	1,265	-
Amounts Held in Custody for Others	85,075	-	-	-	-
Compensated Absences (Note 1L)	-	-	-	-	112
Other Liabilities	-	5,591	438	835	-
Notes Payable (Note 5)	22,925	-	-	4,731	-
Revenue Bonds Payable (Note 5)	1,096,814	74,904	528,863	20,514	-
Capital Lease Obligations (Note 5)	-	-	-	461	-
Total Liabilities	**1,245,627**	**81,102**	**606,066**	**29,572**	**485**
Fund Equity					
Contributed Capital (Note 6B)	6,500	-	-	17,289	174
Retained Earnings, Reserved (Note 6C)	27,605	-	-	-	-
Retained Earnings, Unreserved	80,265	11,048	173,139	2,365	2,113
Total Fund Equity (Note 1N)	**114,370**	**11,048**	**173,139**	**19,654**	**2,287**
TOTAL LIABILITIES AND FUND EQUITY	**$ 1,359,997**	**$ 92,150**	**$ 779,205**	**$ 49,226**	**$ 2,772**

The Notes to the Financial Statements are an integral part of this statement.

U.S.S. Alabama Battleship Commission	Historic Ironworks Commission	Music Hall of Fame	Drinking Water Finance Authority	Totals
$ 1,891	$ 416	$ 38	$ 4,846	$ 84,630
526	-	40	23,860	1,311,006
-	-	-	-	2,977
-	-	-	292	16,755
-	-	-	-	353,908
-	-	-	51,156	530,871
228	28	32	-	784
-	-	-	-	4,887
9	-	-	1,588	21,888
3,584	3,023	1,559	-	48,760
$ 6,238	**$ 3,467**	**$ 1,669**	**$ 81,742**	**$ 2,376,466**
$ -	$ -	$ -	$ -	$ 5
35	195	2	37	2,672
-	7	-	-	7
-	-	-	330	33,129
-	-	-	13	96
-	-	-	-	3
6	-	-	19,328	90,370
-	-	-	-	15,260
161	-	-	-	85,236
-	-	-	-	112
-	-	-	-	6,864
-	-	76	-	27,732
-	91	-	49,289	1,770,475
-	-	-	-	461
202	**293**	**78**	**68,997**	**2,032,422**
-	-	1,322	-	25,285
-	-	-	-	27,605
6,036	3,174	269	12,745	291,154
6,036	**3,174**	**1,591**	**12,745**	**344,044**
$ 6,238	**$ 3,467**	**$ 1,669**	**$ 81,742**	**$ 2,376,466**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
Proprietary Fund Types and Nonexpendable Trust Funds - Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Housing Finance Authority	Higher Education Loan Corporation	Water Pollution Control Authority	Space Science Exhibit Commission	Supercomputer Authority
OPERATING REVENUES					
Charges for Goods and Services	$ 2,074	$ -	$ -	$ 25,400	$ 685
Investment Income	62,766	1,958	22,290	-	-
Rents and Leases	-	-	-	282	5
Interest from Mortgages and Loans Receivable	35,242	5,619	15,291	-	-
Total Operating Revenues	**100,082**	**7,577**	**37,581**	**25,682**	**690**
OPERATING EXPENSES					
Salaries, Wages, and Benefits	-	-	1,531	-	406
Utilities and Communications	-	-	-	-	71
Professional Services	-	-	125	-	4,317
Supplies, Materials, and Operating Expenses	22,171	1,286	1,883	22,070	20
Interest	64,650	4,542	31,144	1	-
Depreciation	70	-	214	2,953	128
Other	384	1,285	77	-	91
Total Operating Expenses	**87,275**	**7,113**	**34,974**	**25,024**	**5,033**
Operating Income (Loss)	**12,807**	**464**	**2,607**	**658**	**(4,343)**
NONOPERATING REVENUES (EXPENSES)					
Investment Income	-	-	-	366	-
Other Nonoperating Revenues	-	-	23,334	167	-
Interest Expense	-	-	-	(1,666)	-
Total Nonoperating Revenues (Expenses)	**0**	**0**	**23,334**	**(1,133)**	**0**
Income (Loss) Before Operating Transfers	**12,807**	**464**	**25,941**	**(475)**	**(4,343)**
TRANSFERS					
Operating Transfers from Primary Government (Note 1F)	-	-	725	400	5,105
Operating Transfers from Component Units (Note 1F)	-	-	-	-	-
Operating Transfers to Primary Government (Note 1F)	-	-	(679)	-	-
Operating Transfers to Component Units (Note 1F)	-	-	(733)	-	-
Total Transfers	**0**	**0**	**(687)**	**400**	**5,105**
Net Income (Loss) Before Extraordinary Items	**12,807**	**464**	**25,254**	**(75)**	**762**
Extraordinary Income (Loss)	(967)	-	-	-	-
Net Income (Loss)	**11,840**	**464**	**25,254**	**(75)**	**762**
Fund Equity, October 1, 1999 (Note 6)	102,530	10,584	147,856	19,716	1,525
Restatements (Note 6A)	-	-	29	13	-
Fund Equity, September 30, 2000	**$ 114,370**	**$ 11,048**	**$ 173,139**	**$ 19,654**	**$ 2,287**

The Notes to the Financial Statements are an integral part of this statement.

				FIDUCIARY FUNDS		
U.S.S. Alabama Battleship Commission	Historic Ironworks Commission	Music Hall of Fame	Drinking Water Finance Authority	Historical Commission	Alabama Education Foundation Authority	Totals
$ 3,153	$ 1,032	$ 78	$ -	$ -	$ -	$ 32,422
-	-	-	2,076	555	11	89,656
-	-	11	-	-	-	298
-	-	-	693	-	-	56,845
3,153	**1,032**	**89**	**2,769**	**555**	**11**	**179,221**
1,119	910	288	39	-	-	4,293
245	174	49	-	-	-	539
518	68	37	-	-	-	5,065
702	79	37	130	-	-	48,378
-	-	4	2,364	-	-	102,705
129	210	143	-	-	-	3,847
-	96	33	-	-	-	1,966
2,713	**1,537**	**591**	**2,533**	**0**	**0**	**166,793**
440	**(505)**	**(502)**	**236**	**555**	**11**	**12,428**
68	13	8	-	-	-	455
-	145	8	9,460	-	13	33,127
-	(7)	-	-	-	-	(1,673)
68	**151**	**16**	**9,460**	**0**	**13**	**31,909**
508	**(354)**	**(486)**	**9,696**	**555**	**24**	**44,337**
-	386	391	-	-	-	7,007
-	-	-	733	-	-	733
-	-	-	(13)	-	-	(692)
-	-	-	-	-	-	(733)
0	**386**	**391**	**720**	**0**	**0**	**6,315**
508	**32**	**(95)**	**10,416**	**555**	**24**	**50,652**
-	-	-	-	-	-	(967)
508	**32**	**(95)**	**10,416**	**555**	**24**	**49,685**
5,528	3,142	1,686	2,271	9,742	156	304,736
-	-	-	58	-	-	100
$ 6,036	**$ 3,174**	**$ 1,591**	**$ 12,745**	**$ 10,297**	**$ 180**	**$ 354,521**

COMBINING STATEMENT OF CASH FLOWS
Proprietary Funds and Nonexpendable Trust Funds - Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	PROPRIETARY FUNDS				
	Housing Finance Authority	Higher Education Loan Corporation	Water Pollution Control Authority	Space Science Exhibit Commission	Super-computer Authority
Cash Flows From Operating Activities					
Operating Income (Loss)	$ 12,807	$ 464	$ 2,607	$ 658	$ (4,343)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Purchase of Program Loans and Investments	(192,756)	(11,950)	-	-	-
Proceeds from Program Loans and Investments	93,642	13,281	-	-	-
Investment Income	(17,281)	(2,256)	(33,779)	-	-
Other Nonoperating Revenues	-	-	1,706	-	-
Operating Interest Expense	65,019	4,542	31,144	-	-
Depreciation	70	-	214	2,953	128
(Increase) Decrease in Assets:					
Accounts Receivable	-	-	-	(76)	-
Due From Component Units	-	-	-	-	-
Inventory	-	-	-	14	-
Other Assets	(24)	9	-	(180)	-
Increase (Decrease) in Liabilities:					
Accounts Payable	(3,036)	1,410	(1,379)	(575)	(134)
Due To Primary Government	-	-	-	-	-
Due To Component Units	-	-	(562)	-	-
Due to Other Governments	-	-	21,993	-	(7)
Deferred Revenues	706	-	-	(29)	-
Salaries Payable	-	-	-	-	-
Compensated Absences	-	-	-	-	10
Other Liabilities	(122)	21	-	-	-
Amounts Held In Custody for Others	(1,005)	-	-	-	-
Net Cash Provided by (Used In) Operating Activities	**(41,980)**	**5,521**	**21,944**	**2,765**	**(4,346)**
Cash Flows From Noncapital Financing Activities:					
Proceeds of Program Revenue Bonds & Other Noncapital Debt	242,400	-	59,000	14,430	-
Principal Paid on Program Revenue Bonds & Other Noncapital Debt	(242,171)	(9,927)	(27,770)	(14,674)	-
Interest Paid on Program Revenue Bonds & Other Noncapital Debt	(62,623)	(4,475)	(29,249)	(220)	-
Grants and Donations	-	-	21,628	-	-
Operating Transfers From Primary Government	-	-	725	400	5,105
Operating Transfers From Component Units	-	-	-	-	-
Operating Transfers To Primary Government	-	-	(679)	-	-
Operating Transfers To Component Units	-	-	(733)	-	-
Net Cash Provided By (Used In) Noncapital Financing Activities	**(62,394)**	**(14,402)**	**22,922**	**(64)**	**5,105**

					NONEXPENDABLE TRUSTS		
U.S.S. Alabama Battleship Commission	Historic Ironworks Commission	Music Hall of Fame	Drinking Water Finance Authority	Historical Commission	Alabama Education Foundation Authority	Total
$ 440	$ (505)	$ (502)	$ 236	$ 555	$ 11	$ 12,428
-	-	-	-	-	-	(204,706)
-	-	-	-	-	-	106,923
-	-	-	(2,481)	(555)	(11)	(56,363)
-	145	8	119	-	13	1,991
-	-	-	2,364	-	-	103,069
129	210	143	-	-	-	3,847
3	-	-	-	-	-	(73)
-	-	-	-	16	-	16
8	-	3	-	-	-	25
3	(3)	-	-	-	-	(195)
3	138	(2)	38	-	-	(3,537)
-	-	-	13	-	-	13
-	-	-	-	-	(16)	(578)
(1)	-	-	(652)	-	-	21,333
-	-	-	-	-	-	677
-	2	-	-	-	-	2
-	-	-	-	-	-	10
-	-	-	-	-	-	(101)
(58)	-	-	-	-	-	(1,063)
527	**(13)**	**(350)**	**(363)**	**16**	**(3)**	**(16,282)**
-	-	-	13,985	-	-	329,815
-	-	-	(1,075)	-	-	(295,617)
-	-	-	(2,835)	-	-	(99,402)
-	-	-	9,274	-	-	30,902
-	386	391	-	-	-	7,007
-	-	-	733	-	-	733
-	-	-	(13)	-	-	(692)
-	-	-	-	-	-	(733)
0	**386**	**391**	**20,069**	**0**	**0**	**(27,987)**

Continued on next page...

COMBINING STATEMENT OF CASH FLOWS

Proprietary Funds and Nonexpendable Trust Funds - Discretely Presented Component Units

(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	PROPRIETARY FUNDS				
	Housing Finance Authority	Higher Education Loan Corporation	Water Pollution Control Authority	Space Science Exhibit Commission	Super-computer Authority
Cash Flows From Capital and Related Financing Activities:					
Proceeds from Issuance of Revenue Bonds and Other Debt	-	-	-	-	-
Principal Payments on Revenue Bonds and Other Debt	-	-	-	(779)	-
Interest Payments on Revenue Bonds and Other Debt	-	-	-	(1,241)	-
Payments to Acquire or Construct Capital Assets	(37)	-	(74)	(1,195)	(28)
Net Cash Provided By (Used In) Capital and Related Financing Activities	**(37)**	**0**	**(74)**	**(3,215)**	**(28)**
Cash Flows From Investing Activities					
Purchase of Investments (Note 1I)	(748,003)	(11,943)	(60,307)	-	-
Proceeds From Sale and Maturities of Investments	835,009	25,096	50,091	-	-
Interest and Dividends on Investments	17,430	1,899	15,602	367	-
Loan Disbursements	-	-	(82,010)	-	-
Loan Payments Received	-	-	16,965	-	-
Interest on Loans	-	-	10,980	-	-
Net Cash Provided By (Used In) Investing Activities	**104,436**	**15,052**	**(48,679)**	**367**	**0**
Net Increase (Decrease) In Cash and Cash Equivalents	**25**	**6,171**	**(3,887)**	**(147)**	**731**
Cash Balance, October 1, 1999	210	3,219	66,262	3,122	969
Restatements and Reclassifications	-	1,081	-	2,318	-
Cash Balance, September 30, 2000	**235**	**10,471**	**62,375**	**5,293**	**1,700**
Add: Warrants Payable	-	-	2	-	3
Less: Restricted Cash (Note 1J)	-	-	-	(2,640)	-
Cash and Cash Equivalents, as Reported on Balance Sheet (Note 1E)	**$ 235**	**$ 10,471**	**$ 62,377**	**$ 2,653**	**$ 1,703**
Noncash Investing, Capital, and Financing Activities					
Increase (Decrease):					
Disposals and Write-offs of Fixed Assets	-	-	-	-	-
Interest Accruals and Amortizations	-	-	-	(51)	-
Unrealized Gains (Losses) In Investment Fair Value	(1,557)	-	2,951	-	-
Investment Accruals and Other Adjustments	310	-	3,808	-	-
In Investments From Change in Fair Values	(1,557)	-	2,951	-	-
Revenue Bond Amortizations and Other Debt Adjustments	1,651	-	1,357	1,255	-

The Notes to the Financial Statements are an integral part of this statement.

				NONEXPENDABLE TRUSTS		
U.S.S. Alabama Battleship Commission	Historic Ironworks Commission	Music Hall of Fame	Drinking Water Finance Authority	Historical Commission	Alabama Education Foundation Authority	Totals
-	-	80	-	-	-	80
-	(37)	(4)	-	-	-	(820)
-	(7)	-	-	-	-	(1,248)
(350)	(588)	(112)	-	-	-	(2,384)
(350)	**(632)**	**(36)**	**0**	**0**	**0**	**(4,372)**
		-				
(5)	-	(11)	(13,113)	(34,340)	(1,041)	(868,763)
-	-	-	15,338	33,507	1,039	960,080
70	11	8	1,628	817	6	37,838
-	-	-	(21,832)	-	-	(103,842)
-	-	-	1,037	-	-	18,002
-	-	-	371	-	-	11,351
65	**11**	**(3)**	**(16,571)**	**(16)**	**4**	**54,666**
242	**(248)**	**2**	**3,135**	**-**	**1**	**6,025**
1,649	664	36	1,641	-	-	77,772
-	-	-	70	-	-	3,469
1,891	**416**	**38**	**4,846**	**-**	**1**	**87,266**
-	-	-	-	-	-	5
-	-	-	-	-	-	(2,640)
$ 1,891	**$ 416**	**$ 38**	**$ 4,846**	**$ 0**	**$ 1**	**$ 84,631**
-	(96)	-	-	-	-	(96)
-	-	-	-	3	4	(44)
-	-	-	148	(266)	-	1,276
-	-	-	288	-	-	4,406
-	-	-	148	(266)	-	1,276
-	-	-	13	-	-	4,276

COMBINING BALANCE SHEET
Fiduciary Funds - Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	Employees' Retirement System	Teachers' Retirement System	Crime Victims Compensation Commission	Historical Commission
ASSETS AND OTHER DEBITS				
Cash and Cash Equivalents (Notes 1E, 3)	$ 35,713	$ 62,056	$ 340	$ -
Investments (Notes 1I, 3)	8,672,194	16,950,323	8,217	10,297
Interest and Dividends Receivable (Note 1G)	119,644	217,026	-	-
Employer Contributions Receivable	9,629	23,492	-	-
Member Contributions Receivable	9,848	18,323	-	-
Due from Primary Government (Notes 1F, 7)	287	74	-	-
Due from Component Units (Notes 1F, 7)	1,563	2	-	-
Securities Lending Collateral (Note 3C)	518,508	1,012,015	-	-
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	2,510	3,734	237	-
Amount to be Provided for General Long-term Obligations	-	-	99	-
TOTAL ASSETS AND OTHER DEBITS	**$ 9,369,896**	**$ 18,287,045**	**$ 8,893**	**$ 10,297**
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants Payable	$ 11,836	$ 17,747	$ 12	$ -
Accounts Payable	300	464	10	-
Salaries Payable	230	348	56	-
Due to Primary Government (Notes 1F, 7)	32	15	10	-
Due to Component Units (Notes 1F, 7)	-	1,560	2	-
Deferred Revenue	2,281	4,902	-	-
Amounts Held in Custody for Others	-	1	-	-
Securities Lending Obligation (Note 3C)	518,508	1,012,015	-	-
Compensated Absences (Note 1L)	717	1,126	100	-
Other Liabilities	-	-	4,626	-
Total Liabilities	**533,904**	**1,038,178**	**4,816**	**0**
Fund Balances and Other Credits				
Investment in Fixed Assets	-	-	237	-
Reserved for Encumbrances	-	-	26	-
Reserved for Specific Purposes (Note 6C)	-	-	-	10,060
Unreserved, Undesignated	658,540	-	3,814	-
Unreserved, Designated (Note 6C)	-	-	-	237
Reserved for Employees' Pension Benefits (Note 9)	8,177,452	17,248,867	-	-
Total Fund Balances and Other Credits (Note 1N)	**8,835,992**	**17,248,867**	**4,077**	**10,297**
TOTAL LIABILITIES, FUND BALANCES, AND OTHER CREDITS	**$ 9,369,896**	**$ 18,287,045**	**$ 8,893**	**$ 10,297**

The Notes to the Financial Statements are an integral part of this statement.

Alabama Education Foundation Authority	Totals
$ 1	$ 98,110
179	25,641,210
-	336,670
-	33,121
-	28,171
-	361
-	1,565
-	1,530,523
-	6,481
-	99
$ 180	**$ 27,676,311**
$ -	$ 29,595
-	774
-	634
-	57
-	1,562
-	7,183
-	1
-	1,530,523
-	1,943
-	4,626
0	**1,576,898**
-	237
-	26
180	10,240
-	662,354
-	237
-	25,426,319
180	**26,099,413**
$ 180	**$ 27,676,311**

COMBINING BALANCE SHEET
Employees' Retirement System - Discretely Presented Component Unit

September 30, 2000

(Amounts in Thousands)

	Pension Trusts	Expendable Trusts	Totals
ASSETS			
Cash and Cash Equivalents (Notes 1E, 3)	$ 32,067	$ 3,646	$ 35,713
Investments (Notes 1I, 3)	8,032,802	639,392	8,672,194
Interest and Dividends Receivable (Note 1G)	103,496	16,148	119,644
Employer Contributions Receivable	9,629	-	9,629
Member Contributions Receivable	9,848	-	9,848
Due from Primary Government (Notes 1F, 7)	287	-	287
Due from Component Units (Notes 1F, 7)	1,563	-	1,563
Securities Lending Collateral (Note 3C)	518,508	-	518,508
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	2,510	-	2,510
TOTAL ASSETS	**$ 8,710,710**	**$ 659,186**	**$ 9,369,896**
LIABILITIES AND FUND BALANCES			
Liabilities			
Warrants Payable	$ 11,190	$ 646	$ 11,836
Accounts Payable	300	-	300
Salaries Payable	230	-	230
Due to Primary Government (Notes 1F, 7)	32	-	32
Deferred Revenue	2,281	-	2,281
Securities Lending Obligation (Note 3C)	518,508	-	518,508
Compensated Absences (Note 1L)	717	-	717
Total Liabilities	**533,258**	**646**	**533,904**
Fund Balances			
Unreserved, Undesignated	-	658,540	658,540
Reserved for Employees' Pension Benefits (Note 9)	8,177,452	-	8,177,452
Total Fund Balances	**8,177,452**	**658,540**	**8,835,992**
TOTAL LIABILITIES AND FUND BALANCES	**$ 8,710,710**	**$ 659,186**	**$ 9,369,896**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING STATEMENT OF PLAN NET ASSETS
Pension Trust Funds - Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	Employees' Retirement System	Teachers' Retirement System	Totals
ASSETS			
Cash and Cash Equivalents (Notes 1E, 3)	$ 32,067	$ 62,056	$ 94,123
Investments (Note 1I, 3)			
U.S. Treasury Securities	62,935	118,911	181,846
U.S. Agency Securities	295,187	920,507	1,215,694
Mortgage Backed Securities	227,108	594,714	821,822
Direct Mortgage Investments	2,662	5,607	8,269
Corporate Stocks	3,350,097	6,572,578	9,922,675
Corporate Bonds	2,835,117	5,890,689	8,725,806
Real Estate	285,679	583,464	869,143
Commercial Paper	331,057	812,186	1,143,243
International Stocks	608,901	1,377,404	1,986,305
International Bonds	32,407	69,810	102,217
Other	1,652	4,453	6,105
Receivables			
Interest and Dividends Receivable (Note 1G)	103,496	217,026	320,522
Employer Contributions Receivable	9,629	23,492	33,121
Member Contributions Receivable	9,848	18,323	28,171
Due from Primary Government (Notes 1F, 7)	287	74	361
Due from Component Units (Notes 1F, 7)	1,563	2	1,565
Securities Lending Collateral (Note 3C)	518,508	1,012,015	1,530,523
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	2,510	3,734	6,244
TOTAL ASSETS	**$ 8,710,710**	**$ 18,287,045**	**$ 26,997,755**
LIABILITIES AND FUND BALANCES			
Liabilities			
Warrants Payable	$ 11,190	$ 17,747	$ 28,937
Accounts Payable	300	464	764
Salaries Payable	230	348	578
Due to Primary Government (Notes 1F, 7)	32	15	47
Due to Component Units (Notes 1F, 7)	-	1,560	1,560
Deferred Revenue	2,281	4,902	7,183
Amounts Held in Custody for Others	-	1	1
Securities Lending Obligation (Note 3C)	518,508	1,012,015	1,530,523
Compensated Absences (Note 1L)	717	1,126	1,843
Total Liabilities	**533,258**	**1,038,178**	**1,571,436**
Fund Balances			
Reserved for Employees' Pension Benefits (Note 9)	8,177,452	17,248,867	25,426,319
Total Fund Balances	**8,177,452**	**17,248,867**	**25,426,319**
TOTAL LIABILITIES AND FUND BALANCES	**$ 8,710,710**	**$ 18,287,045**	**$ 26,997,755**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING STATEMENT OF PLAN NET ASSETS
Employees' Retirement System - Discretely Presented Component Unit

September 30, 2000

(Amounts in Thousands)

	Employees' Retirement Plan	Judicial Retirement Plan	Clerks and Registers Supernumerary Plan	Totals
ASSETS				
Cash and Cash Equivalents (Notes 1E, 3)	$ 31,025	$ 1,031	$ 11	$ 32,067
Investments (Note 1I, 3)				
U.S. Treasury Securities	62,935	-	-	62,935
U.S. Agency Securities	286,842	8,345	-	295,187
Mortgage Backed Securities	224,669	2,439	-	227,108
Direct Mortgage Investments	2,662	-	-	2,662
Corporate Stocks	3,215,205	134,892	-	3,350,097
Corporate Bonds	2,736,254	94,504	4,359	2,835,117
Real Estate	284,288	1,391	-	285,679
Commercial Paper	321,499	8,746	812	331,057
International Stocks	608,901	-	-	608,901
International Bonds	32,407	-	-	32,407
Other	1,652	-	-	1,652
Receivables				
Interest and Dividends Receivable (Note 1G)	100,934	2,562	-	103,496
Employer Contributions Receivable	9,431	198	-	9,629
Member Contributions Receivable	9,766	82	-	9,848
Due from Primary Government (Notes 1F, 7)	287	-	-	287
Due from Component Units (Notes 1F, 7)	1,563	-	-	1,563
Securities Lending Collateral (Note 3C)	510,757	7,751	-	518,508
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	2,510	-	-	2,510
TOTAL ASSETS	**$ 8,443,587**	**$ 261,941**	**$ 5,182**	**$ 8,710,710**
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants Payable	$ 10,827	$ 351	$ 12	$ 11,190
Accounts Payable	268	32	-	300
Salaries Payable	217	13	-	230
Due to Primary Government (Notes 1F, 7)	32	-	-	32
Deferred Revenue	2,281	-	-	2,281
Securities Lending Obligation (Note 3C)	510,757	7,751	-	518,508
Compensated Absences (Note 1L)	649	68	-	717
Total Liabilities	**525,031**	**8,215**	**12**	**533,258**
Fund Balances				
Reserved for Employees' Pension Benefits (Note 9)	7,918,556	253,726	5,170	8,177,452
Total Fund Balances	**7,918,556**	**253,726**	**5,170**	**8,177,452**
TOTAL LIABILITIES AND FUND BALANCES	**$ 8,443,587**	**$ 261,941**	**$ 5,182**	**$ 8,710,710**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
Employees' Retirement System - Discretely Presented Component Unit

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Employees' Retirement Plan	Judicial Retirement Plan	Clerks and Registers Supernumerary Plan	Totals
ADDITIONS				
Contributions				
Employee	$ 116,598	$ 1,608	$ 265	$ 118,471
Employer	113,985	5,696	-	119,681
Total Contributions	230,583	7,304	265	238,152
Investment Income				
Investment Interest and Dividends	340,063	10,971	419	351,453
Net Increase (Decrease) in Fair Value of Investments	314,458	14,106	(640)	327,924
Securities Lending Income	36,958	850	-	37,808
Total Investment Income	691,479	25,927	(221)	717,185
Less:				
Investment Expense	(1,497)	(20)	-	(1,517)
Securities Lending Interest and Fees	(35,005)	(823)	-	(35,828)
Net Investment Income	654,977	25,084	(221)	679,840
Other Additions				
Miscellaneous	100	-	-	100
Operating Transfers from Component Units (Note 1F)	1,553	35	-	1,588
Total Other Additions	1,653	35	0	1,688
Total Additions	**887,213**	**32,423**	**44**	**919,680**
DEDUCTIONS				
Benefit Payments	366,224	11,299	111	377,634
Administrative Expense	4,379	266	-	4,645
Operating Transfers to Component Units (Note 1F)	1,997	-	-	1,997
Total Deductions	**372,600**	**11,565**	**111**	**384,276**
Net Increase (Decrease)	**514,613**	**20,858**	**(67)**	**535,404**
Fund Balance Reserved for Employees' Pension Benefits, October 1, 1999 (Note 6)	7,403,942	232,868	5,237	7,642,047
Restatements (Note 6A)	1	-	-	1
Fund Balance Reserved for Employees' Pension Benefits, September 30, 2000	**$ 7,918,556**	**$ 253,726**	**$ 5,170**	**$ 8,177,452**

The Notes to the Financial Statements are an integral part of this statement.

COMBINING BALANCE SHEET
Higher Education Funds - Discretely Presented Component Units

September 30, 2000

(Amounts in Thousands)

	University of Alabama	Alabama Agricultural and Mechanical University	Alabama State University	Auburn University	Jacksonville State University
ASSETS					
Cash and Cash Equivalents (Notes 1E, 3)	$ 406,578	$ 6,459	$ 2,376	$ 798	$ 10,246
Investments (Notes 1I, 3)	1,261,543	29,203	16,122	392,096	27,806
Accounts Receivable (Note 1G)	225,460	15,124	7,686	32,026	3,819
Interest and Dividends Receivable (Note 1G)	8,730	-	-	3,394	-
Mortgages, Notes, and Loans Receivable (Note 1G)	41	2,329	1,816	17,330	2,560
Due from Component Units (Notes 1F, 7)	12,803	20	4,296	868	84
Due from Other Governments (Note 1G)	-	1,704	-	-	-
Inventory (Note 1H)	15,512	1,010	685	4,219	-
Other Assets	104,071	10,016	11,144	6,128	17,942
Fixed Assets (Net of Accumulated Depreciation) (Note 4)	1,129,200	147,688	126,472	317,982	98,462
TOTAL ASSETS	**$ 3,163,938**	**$ 213,553**	**$ 170,597**	**$ 774,841**	**$ 160,919**
LIABILITIES, FUND BALANCES, AND OTHER CREDITS					
Liabilities					
Accounts Payable	$ 97,717	$ 5,018	$ 1,451	$ 21,853	$ 4,309
Salaries Payable	-	-	-	-	1,456
Interest Payable	-	714	-	2,516	-
Due to Component Units (Notes 1F, 7)	12,803	20	4,296	868	84
Deferred Revenue	119,131	13,550	11	54,748	7,960
Amounts Held in Custody for Others	4,211	1,413	425	673	513
Compensated Absences (Note 1L)	27,567	1,243	1,301	16,146	920
Other Liabilities	3,767	1,887	9,091	12,963	-
Notes Payable (Note 5)	5,257	-	3,694	2,071	-
Revenue Bonds Payable (Note 5)	693,856	66,055	26,461	119,240	14,900
Capital Lease Obligations (Note 5)	34,595	7,341	1,321	3,061	-
Total Liabilities	**998,904**	**97,241**	**48,051**	**234,139**	**30,142**
Fund Balances and Other Credits					
Investment in Fixed Assets	252,495	77,086	-	-	97,417
Contributed Capital (Note 6B)	-	-	-	-	-
Reserved for Encumbrances	-	-	-	-	297
Unreserved, Undesignated	1,568,169	1,677	113,824	64,690	14,509
Unreserved, Designated (Note 6C)	73,672	7,586	-	69,643	-
Reserved for Endowment Funds	218,690	-	-	74,066	2,972
Reserved for Loan Funds	12,882	-	-	16,268	2,686
Reserved for Plant Funds	-	26,355	8,722	283,516	12,193
Reserved for Restricted Funds	39,126	3,608	-	32,519	703
Total Fund Balances and Other Credits (Note 1N)	**2,165,034**	**116,312**	**122,546**	**540,702**	**130,777**
TOTAL LIABILITIES, FUND BALANCES, AND OTHER CREDITS	**$ 3,163,938**	**$ 213,553**	**$ 170,597**	**$ 774,841**	**$ 160,919**

The Notes to the Financial Statements are an integral part of this statement.

University of West Alabama	University of Montevallo	University of North Alabama	University of South Alabama	Troy State University	Alabama Institute for the Deaf and Blind	Marine Environmental Sciences Consortium	Totals
$ 3,316	$ 1,305	$ 14,619	$ 247	$ 23,366	$ 9,889	$ 1,040	$ 480,239
2,544	12,931	19,135	80,034	7,654	620	-	1,849,688
869	3,480	2,094	38,337	17,696	2,856	507	349,954
-	-	-	-	-	-	-	12,124
328	-	1,861	5,683	4,231	-	-	36,179
-	153	-	865	10,470	20	-	29,579
-	-	-	-	-	-	-	1,704
519	418	14	-	1,315	5,001	121	28,814
1,180	5,108	3,337	28,892	14,609	-	-	202,427
37,699	47,494	79,243	393,904	120,031	37,929	9,846	2,545,950
$ 46,455	**$ 70,889**	**$ 120,303**	**$ 547,962**	**$ 199,372**	**$ 56,315**	**$ 11,514**	**$ 5,536,658**
$ -	$ 1,764	$ 802	$ 15,752	$ 1,591	$ 2,871	$ 2	$ 153,130
-	-	-	-	-	-	-	1,456
-	-	-	-	-	-	-	3,230
-	153	-	865	10,470	20	-	29,579
2,381	6,877	10,191	16,475	18,630	-	-	249,954
117	136	344	-	1,001	175	61	9,069
446	300	582	7,214	192	1,080	226	57,217
-	-	-	23,434	-	-	-	51,142
-	-	303	11,693	5,505	2,398	-	30,921
4,245	8,578	14,145	104,650	34,055	-	1,686	1,087,871
-	11	-	7,225	156	-	-	53,710
7,189	**17,819**	**26,367**	**187,308**	**71,600**	**6,544**	**1,975**	**1,727,279**
33,454	-	-	-	85,143	-	-	545,595
-	-	-	-	1,500	-	-	1,500
-	-	-	-	-	-	-	297
2,331	53,070	93,936	15,933	38,192	49,771	9,539	2,025,641
2,778	-	-	-	327	-	-	154,006
365	-	-	9,977	-	-	-	306,070
328	-	-	4,811	2,610	-	-	39,585
-	-	-	328,970	-	-	-	659,756
10	-	-	963	-	-	-	76,929
39,266	**53,070**	**93,936**	**360,654**	**127,772**	**49,771**	**9,539**	**3,809,379**
$ 46,455	**$ 70,889**	**$ 120,303**	**$ 547,962**	**$ 199,372**	**$ 56,315**	**$ 11,514**	**$ 5,536,658**

COMBINING STATEMENT OF CHANGES IN FUND BALANCES
Higher Education Funds - Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	University of Alabama	Alabama Agricultural and Mechanical University	Alabama State University	Auburn University	Jacksonville State University
REVENUES AND OTHER ADDITIONS					
Investment Income	$ 61,208	$ -	$ -	$ 892	$ 890
Other Revenues	3,301	-	-	-	-
Educational and General	302,116	20,986	31,058	192,169	23,752
Auxiliary Enterprises	97,132	9,508	-	65,717	3,427
Endowment Income	43,923	-	-	-	169
Federal Contracts and Grants	306,578	17,970	34,441	76,948	26,340
State and Local Contracts and Grants	21,760	1,924	6,898	10,754	1,773
Gifts and Bequests	59,752	-	-	16,558	532
Private Grants and Contracts	50,009	829	3,755	8,201	-
State Appropriations	943	-	-	-	-
Interest on Loans Receivable	619	55	39	288	315
Federal Appropriations	-	3,023	-	-	-
Interest Income	-	1,530	1,557	10,660	-
Expended for Plant Facilities	130,420	-	-	50,401	10,280
Retirement of Indebtedness	18,314	954	11,101	7,006	615
Other Additions	16,455	2,098	2,416	5,029	3,762
Hospital	614,272	-	-	-	-
Total Revenues and Other Additions	**1,726,802**	**58,877**	**91,265**	**444,623**	**71,855**
EXPENDITURES AND OTHER DEDUCTIONS					
Educational and General	965,571	67,975	91,219	421,495	75,821
Hospital	548,049	-	-	-	-
Auxiliary Enterprises	83,485	7,621	9,460	54,541	2,463
Indirect Cost Recovered	64,700	1,384	-	8,236	76
Refunded to Grantors	124	-	-	195	-
Loan Cancellations and Write-offs	242	-	18	244	63
Administrative and Collection Costs	74	80	-	111	9
Expended for Plant Facilities	93,278	-	11,101	34,125	5,354
Retirement of Indebtedness	18,314	954	2,559	7,006	615
Interest on Indebtedness	24,481	3,763	1,698	7,579	676
Reduction of Plant Facilities and Equipment	4,435	-	-	2,681	1,702
Other Deductions	9,741	847	10,764	763	2,848
Depreciation Expense	98,782	-	-	28,608	-
Total Expenditures and Other Deductions	**1,911,276**	**82,624**	**126,819**	**565,584**	**89,627**
TRANSFERS					
Operating Transfers from Primary Government (Note 1F)	362,240	31,858	29,272	196,894	28,127
Mandatory - Principal and Interest	-	-	884	-	-
Non-Mandatory	-	-	(884)	-	-
Total Transfers	**362,240**	**31,858**	**29,272**	**196,894**	**28,127**
Net Increase (Decrease) for the Year	**177,766**	**8,111**	**(6,282)**	**75,933**	**10,355**
Fund Balances, October 1, 1999 (Note 6)	1,987,268	108,201	128,828	464,769	120,422
Restatements (Note 6A)	-	-	-	-	-
Fund Balances, September 30, 2000	**$ 2,165,034**	**$ 116,312**	**$ 122,546**	**$ 540,702**	**$ 130,777**

The Notes to the Financial Statements are an integral part of this statement.

University of West Alabama	University of Montevallo	University of North Alabama	University of South Alabama	Troy State University	Alabama Institute for the Deaf and Blind	Marine Environmental Sciences Consortium	Totals
$ 115	$ 131	$ 1,181	$ -	$ 1,778	$ -	$ -	$ 66,195
-	-	-	-	-	-	-	3,301
5,882	11,012	17,026	62,144	69,064	15,579	-	750,788
2,974	5,184	3,737	12,469	-	-	-	200,148
-	-	-	-	-	26	-	44,118
2,515	8,471	3,915	23,879	9,332	4,859	1,104	516,352
218	3,005	1,248	1,643	7,113	26	100	56,462
-	-	-	5,744	-	117	-	82,703
248	249	970	3,942	2,279	438	35	70,955
-	-	-	-	-	-	-	943
-	12	48	-	36	-	-	1,412
-	-	-	-	-	-	-	3,023
-	-	-	2,038	-	59	-	15,844
585	2,834	5,028	18,952	8,908	-	565	227,973
182	932	95	6,385	1,983	3,397	131	51,095
188	354	56	5,420	277	918	1,601	38,574
-	-	-	271,891	-	-	-	886,163
12,907	**32,184**	**33,304**	**414,507**	**100,770**	**25,419**	**3,536**	**3,016,049**
17,946	35,446	41,551	157,146	97,185	30,959	4,688	2,007,002
-	-	-	248,632	-	-	-	796,681
-	3,954	3,468	11,513	8,155	-	1,059	185,719
2,894	-	-	3,925	372	222	149	81,958
-	-	1	-	2	-	-	322
-	10	10	-	97	-	-	684
-	-	14	-	906	-	-	1,194
-	2,251	3,385	15,806	8,750	2,102	-	176,152
182	964	95	6,385	1,766	-	-	38,840
212	393	533	5,857	1,850	-	-	47,042
464	-	288	13,729	892	738	46	24,975
194	194	7	775	-	21,544	-	47,677
-	-	-	-	-	-	-	127,390
21,892	**43,212**	**49,352**	**463,768**	**119,975**	**55,565**	**5,942**	**3,535,636**
8,967	14,769	20,659	80,062	34,180	32,842	2,988	842,858
-	-	-	-	-	-	-	884
-	-	-	-	-	-	-	(884)
8,967	**14,769**	**20,659**	**80,062**	**34,180**	**32,842**	**2,988**	**842,858**
(18)	**3,741**	**4,611**	**30,801**	**14,975**	**2,696**	**582**	**323,271**
39,307	49,329	89,325	359,092	115,885	44,201	8,998	3,515,625
(23)	-	-	(29,239)	(3,088)	2,874	(41)	(29,517)
$ 39,266	**$ 53,070**	**$ 93,936**	**$ 360,654**	**$ 127,772**	**$ 49,771**	**$ 9,539**	**$ 3,809,379**

COMBINING STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES
Higher Education Funds - Discretely Presented Component Units
For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	University of Alabama	Alabama Agricultural & Mechanical University	Alabama State University	Auburn University	Jacksonville State University
REVENUES AND OTHER ADDITIONS					
Educational and General					
Tuition and Fees	$ 156,671	$ 21,064	$ 19,359	$ 147,466	$ 21,735
State Appropriations	-	-	-	100	-
Federal Appropriations, Grants, and Contracts	246,607	18,491	32,602	64,883	26,246
State Grants and Contracts	13,940	1,118	6,772	7,026	1,251
Private Gifts, Grants, and Contracts	66,198	829	3,755	18,356	465
Indirect Cost Recovery	52,837	-	-	-	-
Endowment Income	16,953	-	-	10,284	401
Sales and Services of Educational Activities	49,352	878	-	17,897	405
Investment Income	6,980	-	44	74,329	-
Other Sources	13,117	94	567	12,605	1,626
Total Educational and General	**622,655**	**42,474**	**63,099**	**352,946**	**52,129**
Auxiliary and Hospital Enterprises					
Hospital - Sales and Services	586,684	-	-	-	-
- State Appropriations	-	-	-	-	-
Auxiliary - Residence Hall and Student Fees	6,723	8,186	-	-	1,529
- Sales and Services - Operations	89,556	1,321	10,346	-	1,610
- State Appropriations	189	-	-	-	-
- Other Sources	38,045	1	-	-	288
Total Auxiliary and Hospital Enterprises	**721,197**	**9,508**	**10,346**	**0**	**3,427**
TOTAL REVENUES	**1,343,852**	**51,982**	**73,445**	**352,946**	**55,556**
EXPENDITURES AND TRANSFERS					
Educational and General Expenditures					
Instruction	291,141	14,949	17,714	143,092	23,466
Research	236,887	7,824	1,257	71,131	313
Public Service	128,861	8,156	3,470	66,582	1,804
Academic Support	78,791	2,576	3,722	19,467	4,248
Student Services	25,397	8,003	8,205	13,817	6,942
Institutional Support	90,765	11,389	14,008	29,909	5,701
Operation and Maintenance of Plant	58,909	4,447	5,331	26,165	5,473
Scholarships, Financial Awards, and Fellowships	54,797	8,635	37,510	39,545	27,874
Other	23	1,997	-	11,786	-
Total Educational and General Expenditures	**965,571**	**67,976**	**91,217**	**421,494**	**75,821**
Transfers					
Mandatory Transfers	14,004	2,937	-	6,840	437
Nonmandatory Transfers	-	-	-	-	-
Total Educational and General Transfers	**14,004**	**2,937**	**0**	**6,840**	**437**
Total Educational and General Expenditures and Transfers	**979,575**	**70,913**	**91,217**	**428,334**	**76,258**
Auxiliary and Hospital Enterprises					
Hospital Expenditures	551,244	-	-	-	-
Hospital Transfers	-	-	-	-	-
Auxiliary Expenditures	85,163	7,621	9,460	54,541	2,463
Auxiliary Mandatory Transfers	7,810	2,414	2,528	6,707	693
Auxiliary Nonmandatory Transfers	-	-	-	-	8
Total Auxiliary and Hospital Enterprises	**644,217**	**10,035**	**11,988**	**61,248**	**3,164**
TOTAL EXPENDITURES AND TRANSFERS	**1,623,792**	**80,948**	**103,205**	**489,582**	**79,422**
OTHER CHANGES					
Excess of Receipts over Transfers of Revenue	12,345	-	2,145	3,574	26
Transfers In From Primary Government	362,240	31,858	29,272	196,894	28,127
Plant Funds	(20,138)	-	-	-	(3,900)
Other	(35,727)	-	-	(53,665)	(39)
TOTAL OTHER CHANGES	**318,720**	**31,858**	**31,417**	**146,803**	**24,214**
Net Increase (Decrease) In Fund Balances	**$ 38,780**	**$ 2,892**	**$ 1,657**	**$ 10,167**	**$ 348**

The Notes to the Financial Statements are an integral part of this statement.

University of West Alabama	University of Montevallo	University of North Alabama	University of South Alabama	Troy State University	Alabama Institute for the Deaf and Blind	Marine Environmental Sciences Consortium	Totals
$ 4,853	$ 9,814	$ 14,978	$ 34,515	$ 52,658	$ 13	$ 199	$ 483,325
-	-	305	-	-	-	10	415
2,521	8,471	3,915	23,877	9,287	7,051	1,100	445,051
39	969	1,110	1,623	3,509	118	-	37,475
208	249	271	18,830	1,718	403	13	111,295
-	173	-	-	-	-	-	53,010
-	-	-	-	198	26	-	27,862
2,974	-	-	-	-	12,320	67	83,893
-	593	988	-	-	442	-	83,376
1,291	777	1,166	1,765	4,734	518	294	38,554
11,886	**21,046**	**22,733**	**80,610**	**72,104**	**20,891**	**1,683**	**1,364,256**
-	-	-	265,616	-	-	-	852,300
-	-	-	926	-	-	-	926
-	-	-	-	-	-	-	16,438
-	5,184	3,728	12,469	9,178	-	877	134,269
-	-	9	-	-	-	-	198
-	-	45	13,866	-	-	-	52,245
0	**5,184**	**3,782**	**292,877**	**9,178**	**0**	**877**	**1,056,376**
11,886	**26,230**	**26,515**	**373,487**	**81,282**	**20,891**	**2,560**	**2,420,632**
6,716	11,246	17,595	67,961	39,279	24,306	812	658,277
69	8	1,165	11,863	90	4,141	907	335,655
52	513	826	19,346	5,033	1,145	208	235,996
1,291	3,799	3,689	12,611	8,114	3,212	589	142,109
3,042	3,740	5,236	13,071	8,609	9,829	3	105,894
3,880	3,117	4,780	11,273	16,139	6,393	1,348	198,702
2,043	3,394	3,747	12,239	7,152	3,696	771	133,367
396	9,628	4,512	8,782	12,764	-	50	204,493
458	-	-	-	-	-	-	14,264
17,947	**35,445**	**41,550**	**157,146**	**97,180**	**52,722**	**4,688**	**2,028,757**
-	33	1,146	4,716	3,486	-	-	33,599
-	-	-	-	-	962	-	962
0	**33**	**1,146**	**4,716**	**3,486**	**962**	**0**	**34,561**
17,947	**35,478**	**42,696**	**161,862**	**100,666**	**53,684**	**4,688**	**2,063,318**
-	-	-	-	-	-	-	551,244
-	-	-	255,260	-	-	-	255,260
2,894	3,954	3,468	11,513	8,155	-	1,059	190,291
363	1,250	-	1,107	25	-	-	22,897
-	-	-	64	-	-	-	72
3,257	**5,204**	**3,468**	**267,944**	**8,180**	**0**	**1,059**	**1,019,764**
21,204	**40,682**	**46,164**	**429,806**	**108,846**	**53,684**	**5,747**	**3,083,082**
(79)	133	-	244	173	-	131	18,692
8,967	14,769	20,659	80,062	34,180	32,842	-	839,870
-	-	-	(6,652)	(7,172)	-	2,988	(34,874)
(2)	(201)	(557)	(16,229)	(24)	-	-	(106,444)
8,886	**14,701**	**20,102**	**57,425**	**27,157**	**32,842**	**3,119**	**717,244**
$ (432)	**$ 249**	**$ 453**	**$ 1,106**	**$ (407)**	**$ 49**	**$ (68)**	**54,794**

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements present the State of Alabama (the primary government) and its component units. Component units are legally separate organizations ("public corporations") for which the primary government is financially accountable. Generally, the primary government is financially accountable if it appoints a voting majority of the organization's board and it can either 1) impose its will on the organization or 2) there is a financial benefit/burden relationship. If the primary government does not control the board, it may be financially accountable if the organization is fiscally dependent on the State. Organizations making up the primary government and its component units are summarized in the following paragraphs.

1. Primary Government

All State departments, agencies, elected officials, boards, commissions, authorities, committees, halls of fame, educational institutions, and other State organizations (hereafter referred to as "agencies") which are not legally separate are, for financial reporting purposes, part of the primary government. All agencies and funds that operate from within the State Treasury, except those listed later as component units, are part of the primary government. The following non-Treasury agencies operate largely independent of the control of the State Comptroller, Auditor, and Treasurer, but lack the corporate powers to make them legally separate and are therefore part of the primary government:

- Alabama College System (two-year schools)
- Alabama State Fire College
- Athens State College
- Aviation Hall of Fame
- Dental Examiners Board
- Dental Scholarships Awards Board
- Gorgas Memorial Board
- Alabama Industrial Development and Training Institute
- Medical Examiners and Licensure Commission
- Medical Scholarships Awards Board
- Motor Sports Hall of Fame
- Optometric Scholarships Awards Board
- Optometry Board
- Pharmacy Board
- Pilotage Commission
- Podiatry Board
- School of Fine Arts
- Skills Centers
- State Port Authority
- State Safety Coordinating Committee
- Women's Hall of Fame

2. Blended Component Units

Blended component units are legally separate but they exist solely to provide services (usually financing) exclusively to the State. Because of this close relationship, they are blended with and reported as though they are a part of the primary government. All references in the financial statements or elsewhere in these notes to the term "primary government" will encompass both the primary government and the blended component units.

The following blended component units were created for the purpose of financing capital expenditures for the State. Each issues revenue bonds which are limited obligations of the component unit. Their boards consist of State officials and specific State revenues that are pledged for bond repayment. Those marked with a † are currently inactive and have no financial balances or activity in the past fiscal year.

- Agriculture Markets and Coliseum Authority †
- Corrections Institution Finance Authority
- Federal Aid Highway Finance Authority †
- Highway Authority †
- Industrial Access Road and Bridge Authority
- Judicial Building Authority
- Alabama Trade School and Junior College Authority †
- Public Health Care Authority
- State Parks System Improvement Corporation †
- Forensic Science Bond Authority †

The Building Renovation Finance Authority has the same characteristics as those in the previous paragraph, but has the added responsibility of operating, maintaining, and renting buildings in the capitol complex which are occupied by State departments.

The Alabama State Parking Deck Authority has the authority to sell bonds, operate, maintain, and rent out space in a parking deck on a block in the capitol complex. The Authority has remained inactive since the enabling legislation was passed.

The Educational Television Foundation Authority exists to receive, invest, and expend donated moneys for the purpose of promoting the growth and development of educational television. The Authority consists of thirteen members who

are appointed by the Educational Television Commission. As a non-profit public corporation, the Commission provides financing flexibility that the Commission, as part of the primary government, would not otherwise have.

3. Discretely Presented Component Units

Discretely presented component units are organizations, which are legally separate and do not exist to provide services exclusively to the primary government. Providing services to the citizens of the State is not considered the same as providing services to the primary government institution. Financial information for discretely presented component units is segregated on the financial statements and the notes in the "Component Unit" columns in order to emphasize that they are legally separate.

Most of the discretely presented component units have boards which are controlled by the primary government through the appointment of a majority of the board members. The State has been determined to be financially accountable for each organization because it can impose its will on each organization. Unless otherwise noted, financial accountability for each organization described below exists at least in the ability of the State to modify the component unit's budget. Other manifestations of financial accountability may also exist.

For discretely presented component units whose boards are not controlled by the State, the organization has been determined to be fiscally dependent on the State. Unless otherwise noted, fiscal dependency exists at a minimum in the State's ability to modify the component unit's budget. Other manifestations of fiscal dependency may also exist.

When audited financial statements for a discretely presented component unit exist, the address at which such financial statements can be obtained is included in the following paragraphs describing each component unit. For all other discretely presented component units, complete financial statements may be obtained from the State of Alabama, Office of State Comptroller, RSA Union Building, Suite 206, Montgomery, AL 36130-2602.

The Employees' Retirement System (ERS) operates three pension plans and several expendable trusts for the benefit of State and local governmental employees. The ERS is governed by a thirteen-member board of control, seven of whom are either primary government officials or appointees of the Governor. Separate audited financial statements are available for the ERS, the Judicial Retirement Fund, the deferred compensation plan, and the IRA fund. Each may be obtained from the Retirement Systems of Alabama, 135 South Union Street, P.O. Box 302150, Montgomery, AL 36130-2150.

The Water Pollution Control Authority operates a revolving loan fund to aid municipalities in financing the construction of wastewater treatment facilities. A five-member board of directors made up of ex officio members governs the Authority. Audited financial statements of the Authority may be obtained from the Alabama Department of Environmental Management at 1400 Coliseum Boulevard, Montgomery, AL 36130.

The Alabama Drinking Water Finance Authority operates a revolving loan fund to aid local governments in financing the construction of sanitary drinking water facilities. A five member board of directors made up of ex officio members governs the Authority. Audited financial statements of the Authority may be obtained from the Alabama Department of Environmental Management at 1400 Coliseum Boulevard, Montgomery, AL 36130.

The Department of Mental Health and Mental Retardation provides mental health and mental retardation services for the people of Alabama. The Governor of the State and the commissioner of the Department constitute a public corporation and are advised by a sixteen-member board of trustees. The commissioner and ten of the board members are appointed at the discretion of the Governor. The Mental Health Finance Authority exists to provide financing services to the Department and is therefore a blended component unit of the Department and is included in all amounts reported for Mental Health.

The Crime Victims Compensation Commission awards compensation for economic losses arising from criminal conduct and works to change laws to benefit crime victims. The Commission consists of three members who are appointed by the Governor.

The Tennessee Valley Exhibit Commission operates a public exhibit based primarily on the history of and ongoing activities of the Tennessee Valley Authority and various other public entities involved in energy research and

development. The sixteen-member Commission is appointed by the Governor.

The State Industrial Development Authority issues bonds and uses the proceeds to make grants to local industrial development boards. All members of the Authority are elected or appointed state officials.

The Alabama Education Foundation encourages donations of money for local school systems and invests the money for the benefit of each local system. The Foundation is governed by a twelve-member board that is made up of state officials and other individuals appointed by state authorities.

The Supercomputer Authority operates a supercomputer for the use of educational and governmental research institutions, private businesses, and individuals. The eleven directors of the Authority are appointed by state officials.

The boards of the four-year colleges of the State, except for the University of Alabama, are appointed by the State. Those colleges are: Alabama A&M University, Alabama State University, Auburn University, Jacksonville State University, University of Montevallo, University of West Alabama, University of North Alabama, University of South Alabama, and Troy State University. The University of Alabama board of trustees is not controlled by the State but the university is subject to budgetary control by the State.

Complete financial statements for those universities which are audited may be obtained at the following addresses: Associate Controller, University of South Alabama, AD 380, Mobile, AL 36688-0002; Office of the Comptroller, Alabama A&M University, P.O. Box 1388, Normal, AL 35762; Vice-President for Financial Affairs, University of Alabama at Tuscaloosa, P.O. Box 870136, Tuscaloosa, AL 35487-0136; Director of Accounting and Financial Reporting, University of Alabama in Huntsville, Huntsville, AL 35899; Vice Chancellor for Financial Affairs, University of Alabama at Birmingham, 1030 Administration Building, 701 20th Street, Birmingham, AL 35294-0110; Director, Financial Reporting, Auburn University, Auburn University, AL 36849-5161; Comptroller, Station 6060, University of Montevallo, Montevallo, AL 35115-6000.

The Alabama Institute for the Deaf & Blind is an educational institution governed by a fourteen-member board, twelve of whom are appointed by the Governor.

The Marine Environmental Sciences Consortium provides educational programs in marine sciences for the graduate and undergraduate level and conducts research in marine sciences. The board of directors is composed of the chief executive officers of the member institutions.

The Alabama Public School & College Authority (APSCA) issues bonds and uses the proceeds to fund capital construction projects in the local school systems. The Governor, the finance director, and the state superintendent of education constitute the Authority.

The Tombigbee Valley Development Authority consists of six state officials who oversee the development of improvements along the Tombigbee river.

The Higher Education Loan Corporation provides Alabama lending institutions with a secondary market for student loans made under the federal guaranteed student loan program. Audited financial statements may be obtained from the Alabama Commission on Higher Education at P.O. Box 302000, Montgomery, AL 36130-2000.

U.S.S. Alabama Battleship Commission consists of eighteen members appointed by the Governor. The Commission operates a memorial park centered near the historic battleship.

The fourteen-member board of directors of the Housing Finance Authority are appointed by various state officials. The Authority sells bonds and uses the proceeds to make it possible for lenders to make low interest rate mortgages available to low income home buyers. The primary government does not affect the Authority's budget, but the legislature has historically limited the Authority's ability to issue bonds. Audited financial statements may be obtained from the Authority at P.O. Box 230909, 2000 Interstate Park Drive, Suite 408, Montgomery, AL 36123-0909.

Alabama Historic Ironworks Commission operates an historic park based on one of the State's early ironworks. Fourteen of the eighteen members on the commission are appointed by the Governor. Part of the Commission's budget is subject to State control. Audited financial statements may be obtained from the Commission at 12632 Confederate Parkway, McCalla, AL 35111.

The Space Science Exhibit Commission operates the Alabama Space and Rocket Center along with the Space Camp. All eighteen members of the Commission are appointed by the Governor and part of the Commission's budget is subject to State approval. Audited financial statements may be obtained from the Commission at the Alabama Space and Rocket Center, P. O. Box 070015, Huntsville, AL 35807-7015.

The Coosa Valley Development Authority oversees developments and improvements along the Coosa River. Six of the seven members of the Authority are State officials.

The Teachers' Retirement System (TRS) operates a pension plan for the benefit of all employees of public education institutions throughout the State. It is governed by a fourteen-member board, ten of whom are elected from among the member employees. The administrative budget of TRS is subject to approval by the State. Audited financial statements for TRS may be obtained from the Retirement Systems of Alabama, 135 South Union Street, P.O. Box 302150, Montgomery, AL 36130-2150.

The Alabama International Airport Authority was created to develop an international airport in the State. The State controls the appointment of only five of the ten members. All funding for the Authority is through the General Fund, so the Authority is subject to full budgetary control.

The Historical Commission is responsible for the preservation of historic sites, buildings, and objects. The twenty-member Commission is not controlled by the State, but the Commission's budget is subject to State control.

The Choctawhatchee Pea and Yellow Rivers Watershed Management Authority develops and executes plans for water conservation and usage, flood control and prevention, water pollution control, wildlife habitat protection, and erosion control within the boundaries of the Authority. The directors of the Authority are elected by local residents but the Authority is subject to State budgetary control.

The Agricultural Museum Board exists to preserve and exhibit agricultural artifacts. The Board is not controlled by the State, but it is subject to state budgetary control.

The Music Hall of Fame operates a public exhibit displaying music memorabilia in honor of Alabamians who have made a lasting contribution to music. The Hall has both an independent board and is fiscally independent of the State. However, it is included in these financial statements because it would be misleading to exclude the Hall. The State has some limited budgetary influence and the State funded the construction of the Hall's facilities with a general obligation bond issue.

The Blakeley Historic Authority preserves the historic site of the town of Blakeley and operates a park on the site. The Authority has both an independent board and is fiscally independent of the State. However, it is included in the reporting entity because the State has some limited budgetary influence and the State provides the majority of the Authority's funding.

The Alabama Incentives Financing Authority was created to fulfill the State's financial commitments made to industries locating and expanding in the State under the terms of legislation granting certain financial incentives. The board is made up of three state officials, and is authorized to issue bonds to fulfill the State's financial commitments.

The Revolving Loan Fund Authority was created to make grants to twelve regional planning commissions for the purpose of financing local economic development projects. Four of the six members of the Authority are State officials.

The Alabama Twenty-first Century Authority was created to promote economic development and industrial recruitment. The Authority can issue revenue bonds and pledge part of the proceeds of the settlement of the tobacco industry litigation to finance the bonds. The board is made up of three state officials.

The Agricultural Development Authority promotes development of agriculture in the State by making low interest loans available to persons engaged in agricultural operations. The seven member board is made up of three state officials and four other persons appointed by the State.

4. Excluded Organizations

Other entities have been examined but failed to meet the criteria for inclusion in the State's reporting entity. The city and county boards of education are legally separate organizations whose boards are not controlled by the State. They are fiscally dependent on both the State and local governments. It is more appropriate that they be included as part of a local government's reporting entity.

The Elk River Development Agency, Bear Creek Development Authority, and Cahaba Trace Commission are legally separate organizations whose boards are neither

controlled by the State nor are they fiscally dependent on the State. All three of these organizations are excluded.

The many local soil and water conservation districts are legally separate organizations which have independent boards and are fiscally independent. In keeping with their independence, they are excluded from this report.

5. Sources of Information

The majority of State organizations, whether primary government or component unit, conduct their financial operations from the State Treasury through the State's central accounting system under the supervision and review of the State Comptroller, State Treasurer, and State Auditor. The source of information on these agencies is the State's central accounting system. For these agencies, the recording of cash, warrants payable, encumbrances, salaries payable, compensated absences, most investments, most short-term payables, most revenues and most expenditures/expenses are controlled by the Comptroller and/or the Treasurer and are therefore subject to extensive scrutiny. Accruals of revenues, a few accruals of expenditures/expenses, and all other accounts, such as depreciation, fixed assets, inventories, and capital leases, generally are based on data provided by the individual agencies. The data provided by the agencies are reviewed and recorded once a year and are believed to be materially correct even though they are not generally subject to extensive scrutiny by the Comptroller, Treasurer, or Auditor.

There are some organizations and funds which meet the criteria for inclusion as part of the reporting entity even though they have the authority to conduct their financial operations through bank accounts and accounting systems outside the State Treasury, independent of the direct daily control of the Comptroller, Treasurer, and Auditor. These non-Treasury agencies are included in the financial statements based on information provided to the Comptroller once a year by the agency or the agency's auditors. Whenever possible, the non-Treasury agencies are reported as they appeared in the information submitted to the Comptroller. However, corrections or modifications have been made whenever required to comply with generally accepted accounting principles or wherever necessary to ensure consistent statewide report presentation.

The following non-Treasury agencies and funds are included in this report:

Primary Government

- ABC Outside Accounts
- Alabama College System
- Alabama Health Insurance Plan
- Alabama Industrial Development Training Institute
- Alabama School of Fine Arts
- Alabama Skills Center
- Alabama State Port Authority
- Alabama State Fire College
- Athens State College
- Attorney General Outside Accounts
- Aviation Hall of Fame
- Blind Vendors Fund
- C.C. Smith Trust Fund
- Charlotte Thorn Endowment Fund
- Commercial Mobile Radio Service Board
- Corrections Bank Accounts and Agency Funds
- Corrections Canteen Funds
- Corrections Institute Finance Authority Bank Account
- Court System Local Accounts
- Dental Examiners Board
- Dental Scholarships Awards Board
- Department of Human Resources Local Funds and Child Support Funds
- Educational Television Foundation Authority
- Geological Survey Library Revolving Fund
- Gorgas Memorial Board
- Hicks Memorial Endowment Fund
- High School of Math and Science
- Insurance Department Statutory Deposits
- Mary May Eliot Memorial Fund
- Medicaid Agency Lien Account and Qualifying Individual 2 Funds
- Medical Scholarships Awards Board
- Medical Examiners and Licensure Commission
- Men’s Hall of Fame Outside Account
- Military Department Unit Funds
- Montgomery Downtown Redevelopment Authority
- Motor Sports Hall of Fame
- National Guard Canteen Funds
- Non-Emergency Transportation
- Optometry Board

- Optometric Scholarships Awards Board
- Peace Officers' Annuity & Benefit Investment Account
- Pharmacy Board
- Pilotage Commission
- Podiatry Board
- Public Health Care Authority
- Public Health Local Funds
- Sports Hall of Fame Checking Account
- State Bar Checking Account
- State Bar Client Security
- State Bar Foundation
- State Port Authority Hourly Pension Plan
- State Port Authority Railway Pension Plan
- State Safety Coordinating Committee
- Student Assistance Initiated Loan Servicing Account
- Supreme Court Checking Account
- Transportation Surety Bonds
- Unemployment Compensation Funds
- Victims Services Fund
- W.V. Chambliss Trust Fund
- Women's Hall of Fame
- Youth Service Student Accounts & Local Funds

Discretely Presented Component Units

- Alabama A & M University
- Alabama Drinking Water Finance Authority
- Alabama Higher Education Loan Corporation
- Alabama Historic Ironworks Commission
- Alabama Housing Finance Authority
- Alabama Incentives Financing Authority
- Alabama Institute for Deaf and Blind
- Alabama State University
- Auburn University
- Blakeley Historic Authority
- Crime Victims' Compensation Fund
- Jacksonville State University
- Marine Environmental Sciences Consortium
- Mental Health Client/Patient Funds
- Mental Health Capital Projects - Bank Account
- Music Hall of Fame
- Space Science Exhibit Commission and Space Science Exhibit Finance Authority
- Troy State University
- U.S.S. Alabama Battleship Commission
- University of Alabama in Birmingham
- University of Alabama in Huntsville
- University of Alabama in Tuscaloosa
- University of Montevallo
- University of North Alabama
- University of South Alabama
- University of West Alabama
- Water Pollution Control Authority

B. Fund Accounting

The State uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not affect net expendable available financial resources.

The accompanying financial statements are presented in four classifications of funds, two account groups, and component units as described below. The fund classifications include governmental funds, proprietary funds, fiduciary funds, and the higher education funds. Account groups are presented for general fixed assets and general long-term obligations.

Governmental funds are used to account for most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they are to be paid. The difference between fund assets and liabilities, the fund equity, is referred to as "fund balance."

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. Expendable trusts account for the activities of trusts whose principal and income may be used for the purposes of the trust. Nonexpendable trusts account for activities of trusts whose income may be used to fund

trust activities, but whose principal must be maintained intact. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

Account groups are used to account for the State's general fixed assets and its general long-term debt. General fixed assets do not represent financial resources available for appropriation and expenditure and are therefore segregated from governmental funds in the General Fixed Asset Account Group. The unmatured principle of general long-term debt does not require the expenditure of current appropriations of governmental fund financial resources and is therefore accounted for separately in the General Long-Term Debt Account Group.

Higher education funds account for the operations of the State's colleges, universities, trade schools, and other educational entities. The higher education institutions account for their activities in the following funds:

Current Funds - includes unrestricted funds over which the institutions' governing boards retain full control in achieving the institutions' purposes, and restricted funds, which may be used only in accordance with externally restricted purposes.
Loan, Endowment, and Agency Funds account for assets in which the institutions act in a fiduciary capacity.
Plant Funds account for institutional property acquisition, renewal, replacement, and debt service.
Annuity and Life Income Funds account for funds received by an institution under deferred-giving agreement contracts.

The component units include organizations which are legally separate from the State but are considered part of the reporting entity as defined in section A of this note. The State has component units which fall into all four of the fund classifications mentioned above.

C. Basis of Accounting

These financial statements are reported in conformity with generally accepted accounting principles (GAAP) unless otherwise noted on the face of the statement or in the Notes to the Financial Statements. GAAP is promulgated for all fund types by the Governmental Accounting Standards Board (GASB) except for the Higher Education Funds, for which GAAP is promulgated by the National Association of College and University Business Officers (NACUBO). GAAP basis reporting differs considerably in some ways from the budgetary and cash basis accounting under which the State budgets and operates.

Under GAAP, the accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using the flow of current financial resources measurement focus. Under this focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases in expendable financial resources as revenues and other financing sources, and decreases as expenditures and other financing uses.

All proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on a flow of economic resources measurement focus. Under this focus, all assets and all liabilities associated with these funds are included on the balance sheet. Fund equity of proprietary funds is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The State has elected to exercise paragraph 6 of Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting." Statement 20, paragraph 6, requires that all proprietary activities should apply all applicable GASB pronouncements as well as any Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure (CAP) issued on or before November 30, 1989, unless such FASB, APB, and CAP pronouncements conflict with or contradict GASB pronouncements. FASB pronouncements issued after November 30, 1989, even if they modify an applicable FASB, APB, or CAP pronouncement, are not applicable unless adopted by a GASB pronouncement.

All governmental funds and expendable trust funds are reported using the modified accrual basis of accounting. Agency funds are also accounted for on a modified accrual basis, but agency funds do not recognize revenues and expenditures. Under the modified accrual basis of accounting, revenues and related current assets are recognized when measurable and available to finance operations during the year or if available to liquidate liabilities existing at the end of the year. Therefore, in governmental funds, revenues and the resulting assets are accrued at year end only if the revenues are earned and the receivables are expected to be collected in time to pay for liabilities in existence at the end of the period. Material revenues that are subject to accrual are federal grants and interest receivable. No receivables are accrued for property taxes, as the assessment date for property tax corresponds to the beginning of the State fiscal year, and the taxes are not

due until ninety days later. Furthermore, all taxes, including taxpayer assessed revenues such as income tax and sales tax, are not susceptible to accrual because they are not legally available to liquidate current liabilities under the provisions of Amendment 26 to the State's constitution. Expenditures are recognized when the related fund liability is incurred, except for items that are not expected to be liquidated with expendable available resources, such as the long-term portion of compensated absences payable and capital lease obligations. Therefore, expenditures and the related liabilities are accrued at year end only when they are normally payable from current expendable funds. In order to determine which revenues should be accrued, an arbitrary time limit is established. Revenues are recognized when measurable and available. The State uses sixty days after fiscal year end as the time limit for the accrual of revenues.

Under GAAP, all proprietary funds, nonexpendable trust funds, and pension trust funds are accounted for on the accrual basis of accounting, which approximates the accounting used in private enterprises. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when the liability is incurred.

Higher Education Funds are reported using the accrual basis of accounting, with the following exception: revenues and expenditures of an academic term encompassing more than one fiscal year are reported solely in the fiscal year in which the program is predominantly conducted.

D. Fiscal Year

The State fiscal year ends on September 30. One component unit, the Alabama Space Science Exhibit Commission, has the power to set its own fiscal year (*Code of Alabama* 1975, Section 41-10-307 as amended). The Authority has set its fiscal year to end on the last Sunday in September in order to coordinate its accounting period with the weekly cycle of campers. The Authority's fiscal year for 2000 ended on September 24. No inconsistencies were caused by the differences in fiscal years.

E. Cash and Cash Equivalents

Cash and Cash Equivalents, as reported on the financial statements, are under the control of the State Treasurer or other administrative bodies as determined by law. The cash in all funds operating from the State Treasury is pooled as treasury cash and invested by the State Treasurer. The Treasurer has statutory authority to invest treasury cash in demand accounts or time deposits-open account with any state depository. The Treasurer can also invest up to twenty percent of treasury cash in securities and obligations of the U.S. Treasury or federal agencies for a period of time that may exceed one year. Cash equivalents in the State Treasury consists of short-term repurchase agreements and other allowable time deposits with an original maturity date of three months or less at the date of purchase. Commercial paper is reported as an investment regardless of the original maturity date. For funds operating outside the State Treasury, cash and cash equivalents generally includes demand deposit accounts, petty cash accounts, and short-term, highly liquid investments with a maturity date of three months or less when purchased.

F. Interfund Transactions

The State accounts for each of the following types of interfund transactions: reimbursements, quasi-external transactions, residual equity transfers, operating transfers, advances, and distributions of revenues from agency funds. Any one of these transactions may result in the reporting of amounts Due To or From Other Funds, Primary Government, or Component Units as of the balance sheet date. Due To or From Other Funds is used only for transactions between two funds of the primary government.

Reimbursements occur when one fund makes an expenditure on behalf of another fund. Reimbursement transactions reduce expenditures in the reimbursed fund and increase them in the reimbursing fund. Quasi-external transactions involve charges for goods or services that one fund sells to another fund. Residual equity transfers are nonroutine nonrecurring transfers of equity between funds. Operating transfers include all other interfund transactions such as legislatively appropriated transfers between funds and operating subsidies. Operating Transfers In/Out is used as transactions between two funds of the primary government. Operating Transfers from Primary Government is used as transfers into a component unit that came from the primary government. Operating Transfers from Component Units is used as transfers received in any fund or component unit that came from a component unit. Operating Transfers to Primary Government is used as transfers out of a component unit to the primary government. Operating Transfers to Component Units is used as a transfer from any fund or component unit to a component unit. Advances are loans between funds and are generally long-term in nature. Distributions from agency funds reduce liabilities in the agency fund and increase revenues in the receiving fund.

G. Receivables

In governmental funds, the largest receivables are amounts due from other governments, consisting almost entirely of grants and reimbursements due from the federal government where collectibility is reasonably assured. Accordingly, no

allowance for uncollectible accounts has been established. Amounts due from local governments are not a significant portion of amounts due from other governments.

In governmental funds of the primary government, the State records no significant amount of Accounts Receivable and no receivables for taxes are recorded because both types of revenues are generally not susceptible to accrual under the provisions of Amendment 26 to the State's constitution. Amendment 26 affects only those funds operating from the State Treasury under the control of the Comptroller, which includes most of the governmental funds of the primary government. Most of the Accounts Receivable on the balance sheet are recorded in the discretely presented component units, many of which do not operate from the State Treasury and therefore are not restricted by Amendment 26. The primary government does not have any notes or leases receivable, as such agreements would constitute an illegal extension of credit by the State. Interest and Dividends Receivable includes amounts earned on investments, notes, mortgages and loans receivable. The largest of these amounts are due to the pension funds operated by the Retirement Systems of Alabama.

Accounts Receivable are reported primarily by the higher education institutions. The amounts are reported net of any allowance for doubtful accounts.

Mortgages, Notes, and Loans Receivable consists primarily of loans made by the Alabama Housing Finance Authority. The mortgage loans of the Authority are carried at their unpaid principal balances less an allowance for loan losses. Also included in this category are student loans owed to the Alabama Higher Education Loan Corporation. The loans are reported net of an allowance for uncollectible loans.

Due From Other Governments as reported in the component units consist almost entirely of amounts owed by local governments. Most of the amount is loans made by the Alabama Water Pollution Control Authority.

H. Inventories

Inventories of supplies in governmental funds are reported at cost using the purchases method. An inventory asset account is reported on the balance sheet with an offset to Reserved for Inventory.

Inventories of materials and supplies of proprietary funds are determined by both physical counts and through perpetual inventory systems and are valued at the lower of cost or market. Valuation methods used by the proprietary and governmental funds include first-in first-out, average cost, weighted average, and retail inventory method.

Surplus supplies, materials, and property from state agencies and the federal government are recorded as inventory at historical cost in two internal service funds. The market value of the inventory in the surplus property funds is significantly lower than the historical cost because of the age and condition of the items.

I. Investments

Investments as reported on the combined balance sheet include long-term investments. As required by GASB 31, “Accounting and Financial Reporting for Certain Investments and for External Investment Pools”, most investments are recorded at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Short-term investments are reported at cost, which approximates fair value. Mortgage-backed securities are reported based on future principal and interest payments discounted at the current interest rate for similar instruments. The fair value of real estate investments is based on independent appraisals. No investments are recorded at amortized cost.

J. Restricted Assets

Enterprise fund assets required to be held and/or used as specified in bond covenants have been recorded as "Restricted Assets". These assets consist primarily of U.S. Treasury obligations and certificates of deposit. Alabama State Port Authority, as required by bond covenants, maintains a balance in its debt service reserve fund equal to the debt service in any current or subsequent year. Alabama State Port Authority, as required, also maintains a replacement fund for annual or extraordinary repairs, construction, or acquisition of coal handling facilities. State Port Authority’s restricted assets for 2000 includes $11,451,077 in cash and cash equivalents. The Space Science Exhibit Commission, a component unit, has restricted assets which represent the unspent portion of contributions which were restricted for specific purposes. The Commission’s restricted assets for 2000 include $2,640,269 in cash and cash equivalents.

Most investments, cash, and accrued interest receivable of the Water Pollution Control Authority (WPCA) are restricted by bond indentures for debt service requirements. However, these assets are not presented on the balance sheet as restricted assets since the normal operations of WPCA is to issue bonds, loan the proceeds to municipalities and collect repayments to service the debt.

K. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost whenever the historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at the estimated fair market value on the date received. Interest expense incurred during the construction of capital assets is not capitalized in governmental and proprietary funds. However, Higher Education institutions are required to capitalize material amounts of interest expense during the construction of capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Public domain ("infrastructure") general fixed assets consisting primarily of roads and bridges are not capitalized because these assets are immovable and of value only to the State.

Assets in the General Fixed Assets Account Group are not depreciated. Fixed assets for component units reported under governmental fund types are also not depreciated. In those proprietary funds where depreciation expense has been recorded, the depreciation of buildings, equipment, and vehicles is computed using the straight-line method and other generally accepted methods over the estimated useful lives of the assets. The useful life varies greatly according to the needs of each fund, but most buildings use 20 to 30 years, and most equipment falls in the range of 3 to 10 years. Depreciation is not required of the institutions of higher education. However, Auburn University and the three campuses of the University of Alabama system (component units) have elected to record depreciation.

L. Compensated Absences

Employees in permanent positions accrue annual leave at a rate of four to nine hours bi-weekly, depending upon their length of service. Upon separation from service, an eligible employee is paid for the actual number of annual leave days he has earned, up to a maximum of 60 days, with the amount being computed on the basis of his daily pay rate at time of separation multiplied by the number of days leave due.

Sick leave is accrued at a rate of four hours bi-weekly. Employees may accumulate up to a maximum of 150 days sick leave. Employees may be compensated for one-half of the maximum accrued sick leave only upon retirement from state service. The employee must have 25 years of service or have attained the age of 60 and have 10 years of service to be eligible to retire. State Troopers must have 25 years of service or have attained the age of 52 and have 10 years of service to be eligible to retire. When a state employee in the classified service dies while in active service to the state, the estate of the deceased employee shall receive a monetary payment of fifty percent of the accrued and unused sick leave, not to exceed 600 hours, which the employee was credited with at the time of his or her death.

The monetary value of accumulated annual and sick leave payable upon termination or retirement is included on a statewide basis in the accompanying financial statements. In the governmental fund types, amounts to be paid from expendable available resources are recognized as current fund liabilities. Current liabilities were determined from actual termination or retirement payments made during the two months following the end of the fiscal year. Amounts not payable from expendable available resources (long-term liabilities) are reported in the General Long-Term Debt Account Group. All amounts related to the proprietary funds, pension trust funds, and higher education funds are recognized in those funds. The current portion of the liabilities was determined the same way as governmental fund types.

The liability at September 30, 2000, was computed using salary rates effective at that date including the employer's share of social security and Medicare taxes payable and represents annual and sick leave earned up to the allowable ceilings. The sick leave is calculated separately for vested and nonvested employees. Sick leave is subjected to an actuarially determined probability multiplier that the employee will remain to retire and collect sick leave. The probability multipliers are as follows:

	Vested	Nonvested
Public Education Employees	.81	.49
State Employees	.71	.39

For the primary government, the total adjusted liability for annual and sick leave at September 30, 2000, was $214,927,000 of which $2,192,000 is reported in governmental funds, $183,138,000 is reported in the General Long-Term Debt Account Group, $8,432,000 is reported in Higher Education Funds, and $21,165,000 is reported in proprietary and pension funds. The component units had a liability of $77,693,000 making the total liability for the entire reporting entity $292,620,000. The liability for the colleges and universities (included in the component units), $57,217,000, is recognized in the higher education

funds and has been computed using methodologies applied by each institution.

M. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

N. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants and/or contributions. The capital grants and contributions are received primarily from the federal government or other state funds.

Reservations of fund equity indicate that a portion of the fund equity is not available for appropriation and expenditure or is legally segregated for a specific future use. Fund balance designations are established to indicate tentative plans for financial resource utilization in a future period. Such designations reflect managerial plans or intent as distinguished from legally required reserves.

O. Totals (Memorandum Only) Columns

Totals columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only for financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2 BUDGETARY ACCOUNTING AND REPORTING

A. Budgetary Process

Formulation of the budget begins with the preparation of estimates of expenditure requirements for the next fiscal year by the administrative head of each budgeted agency and institution. These estimates are submitted annually to the Executive Budget Office of the Finance Department on or before the first day of the third month preceding each regular session of the Legislature. The budget is prepared by program elements for each agency. Requested changes in programmatic expenditures over the prior fiscal year must be explained, and proposed capital expenditures must be justified as required by the Executive Budget Office.

The budget document, as finally developed by the Governor, is published and transmitted to the Legislature on or before the second legislative day of each regular session. For each agency, comparative summaries of appropriations and revenues are presented for the prior year, current year, the agency's request for the next year, and the Governor's recommendation for the next year. The recommended appropriation bills indicate the programmatic appropriation to each agency and the source of funds from which each appropriation is to be paid. The Legislature then legally enacts the State budget into law through the passage of a number of bills as appropriation acts. The Legislature made supplemental appropriations to several departments during 2000, but none were material.

The appropriation acts budget by agency and program rather than by GAAP basis funds. The State funds its budgetary activities under three budgetary fund groups. The first is the General Fund, which includes many of the general operations of the three branches of government. The second is the Education Trust Fund (ETF), which is restricted to funding all levels of educational activity in the State. The third budgetary group is referred to in the budget documents as Earmarked Funds. The Earmarked Funds group includes the operations of most governmental funds of both the primary government and the component units, as well as portions of some proprietary and fiduciary operations.

The appropriation acts do not include a revenue budget. At the time of their passage, estimates prepared by legislative and executive branch professional staff assures the legislature that adequate revenues will be available to meet the level of appropriations approved. The Appropriation Acts specify that in addition to the appropriations made, all gifts, grants, or contributions in excess of the amount appropriated are automatically appropriated to be used for the purposes specified in the grant.

Numerous statutes exist which restrict the use of most state revenue sources to specific uses. The General Fund is funded by a wide variety of taxes, licenses, and interest income. The ETF is funded primarily by income taxes and sales taxes. The Earmarked Funds are generally funded by a combination of federal funds, local funds, and specific taxes and licenses. State law also requires that if revenues actually

received are inadequate to fund the appropriations, then the appropriations must be prorated to the level that the revenues will support. For the Combined Statement of Revenues, Expenditures, and Other Changes in Fund Balances - Budget and Actual, the budgeted revenues consist of the amount of budgeted expenditures allocated among the revenue categories in proportion to the actual amounts received.

B. Budgetary Control

The legal level of control is the agency and program specified in the Appropriation Acts. For example, "Lab Analysis and Disease Control" and "Agricultural Inspection Services" are two programs within the agency Agriculture and Industries. Below this legal level of control, the professional management of the Finance Department, under the authority of the Governor's policy, exercises budgetary control at the fund and object level. Each agency must submit an operations plan detailing planned expenditures down to the object level, and then must follow that plan or explain why a change must be made. Allotments of appropriations are made quarterly based on the plans of operations submitted by the agencies. Beyond these additional policy constraints, agencies have full authority for administering their appropriations.

The Department of Finance enforces both the legal level and the professional management level of budgetary control through automated edits which must be complied with before making expenditures against an appropriation. A change between objects within appropriations for programs (financial management level) must have the approval of the Budget Officer and the Finance Director.

The Budget Management Act legally authorizes the transfer of appropriations between programs within an agency with the approval of the Governor. Any transfers approved by the Governor must be reported to the legislature. Transfers between agencies, but within the same program, may be made pursuant to interagency agreements executed for the purposes of accomplishing the objectives for which the legislature made the appropriation. These interagency agreements must also be approved by the Governor. Under the Budget Management Act, the Governor cannot create new budget authority, he can only transfer existing authority.

Both the Alabama Constitution and the statutes require a balanced budget for annual financial operations. The Finance Department monitors revenue projections during the year to ensure that adequate funds will be available to meet budgeted expenditures. If cash collections do not meet budget projections, the Governor is required to prorate appropriations and restrict allotments to prevent an overdraft or budget deficit in any fiscal year. Neither the General Fund nor the Education Trust Fund was prorated in 2000.

C. Encumbrance Accounting

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting is used as purchase orders are issued to insure that purchase orders plus expenditures do not exceed allotment balances. At fiscal year end this control becomes more strict, as purchase orders plus any other obligations or accounts payable incurred against fiscal year appropriations may not exceed allotment balances. Encumbrances outstanding at year end are reported on the GAAP basis statements as a reservation of fund equity. Encumbrance balances are reported on the budgetary basis statements as expenditures.

D. Lapsing of Appropriations

All balances of non-capital outlay appropriations not reserved by encumbrances or accounts payable lapse at September 30 of each fiscal year. Furthermore, any appropriation balance not reserved by encumbrances lapses at November 30 following each fiscal year. Encumbrances remain valid for a period of one year following the end of the fiscal year. Balances of encumbrances are reported on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual as expenditures. Capital outlay appropriations for the purchase of land, the construction of buildings, or for the maintenance of roads and bridges of the state highway system continue until the completion of the project.

E. Budgetary Basis of Accounting

The State budgets and operates primarily on the budgetary basis which approximates the cash basis with certain material exceptions. During the fiscal year, encumbrances, which represent obligations against current fiscal year appropriations, are accrued. At year end, fund balances are reserved to accrue expenditures for those outstanding encumbrances and estimated accounts payable. In compliance with Amendment 26 to the Constitution, the total reservation may not exceed the cash on hand in the State Treasury. Therefore, at year end, cash always exceeds obligations (encumbrances and estimated accounts payable). The Combined Statement of Revenues, Expenditures, and Other Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) presents comparisons of the adopted budget with actual data on a budgetary basis. The budget excludes funds for all entities operating outside the State Treasury, certain distributive accounts such as those for making

distributions to local governments, and most debt service accounts. Since the accounting principles used in the State's budgetary basis of accounting differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of the differences is presented on the statement. A Detail Schedule of Budget and Actual Expenditures appears in the Supplemental Schedules Section of the CAFR. This schedule provides detail information at the legal level of control for each individual appropriation item contained in the budget.

3 DEPOSITS AND INVESTMENTS

A. Deposits

The Treasurer has statutory authority to deposit treasury cash in demand accounts or time deposits - open account with any state depository. The Treasurer may also invest up to twenty percent of treasury cash in securities and obligations of the U.S. Treasury or federal agencies for a period of time that may exceed one year. Funds may also be invested in obligations of the United States or its agencies under a repurchase agreement for a shorter period of time than the maturity date of the security.

The Treasurer maintains non-interest bearing balances as a means of compensating banks for the cost of banking services for which the State is not charged. These services are related to general treasury functions. All deposits of the State Treasury are categorized as Category 1 and are insured by Federal depository insurance or secured with collateral held by the State Treasurer's agent in the name of the agency at September 30, 2000. Deposits of non-Treasury agencies, including component units, were not always insured by Federal depository insurance or secured by collateral held in the name of the agency. The exact amounts not collateralized were not readily determinable and therefore it is not known if they are significant.

At September 30, 2000, the State Port Authority carried $13,900,197 of restricted and unrestricted cash and certificates of deposit on the books. Of this amount, $750 was cash on hand, $8,009,988 was deposited with and administered by the trust departments of federally chartered depository institutions, and the $5,889,459 remainder was on deposit at various banks in checking accounts and certificates of deposit. The bank balance as of September 30, 2000 was $16,250,000. Of the bank balance, $598,000 was insured by FDIC, $7,627,000 was covered by collateral held by pledging financial institution's trust department in the authority's name, and $8,025,000 was uncollateralized.

For the Alabama Space Science Exhibit Commission, Alabama Space Science Exhibit Finance Authority, and the Alabama Space Leasing Corporation, Inc., at September 24, 2000, the carrying amount of deposits was ($230,590) and the bank balance was $39,212. The entire bank balance was insured by FDIC or by collateral held by the authority's agent in the authority's name.

At September 30, 2000, the carrying amount of the Alabama Higher Education Loan Corporation's total cash deposits was $90,136, which approximated bank balances for the year. The amount covered by federal depository insurance was $100,000. Cash balances in excess of $100,000 are collateralized by investment securities held by the corporation's agent in the corporation's name.

At September 30, 2000, the carrying amount of Jacksonville State University's cash on deposit was $1,427,861, which equaled the bank balance. The University's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the University or by its agent in the University's name.

The University of North Alabama had cash totaling $14,619,943 which includes cash on hand and demand deposits, excluding agency funds. It is the University's policy and practice for deposits not covered by federal depository insurance to be covered by collateral held by the University agent in the name of the University. The University's bank balance was $17,865,787. The bank balance of $336,312 was covered by federal depository insurance while the remaining bank balance of $17,529,475 was covered by secured collateral at September 30, 2000.

B. Allowable Investments

Investments are made in accordance with the statutes creating the various agencies of the State of Alabama. The following describes the investments made by the major investing agencies of the State:

1. Primary Government

State Treasurer - The State Treasurer may legally invest state funds in repurchase agreements, obligations of the U.S. Treasury, federal land bank bonds, federal home loan bank notes and bonds, Federal National Mortgage Association notes, and debentures or obligations guaranteed by the U.S. government.

Alabama Heritage Trust Fund (AHTF) and Alabama Trust Fund (ATF) – Investments are limited to those authorized by law for the Retirement Systems of Alabama. The

investments authorized for the Retirement Systems are described later in the section entitled "Component Units".

Prepaid Affordable College Tuition Program (PACT) - Assets of PACT constitute public funds of the State and may be invested in any instrument, obligation, security or property that constitutes legal investments for investment of public funds in the State, including legal investments of the State Treasurer, the Alabama Trust Fund and Heritage Trust Fund that are deemed most appropriate by the PACT board and may be pooled for investment purposes with any other investment of the State which is eligible for asset pooling.

2. Component Units

Retirement Systems of Alabama (RSA) - The Retirement Systems of Alabama administers the Teachers' Retirement System, Employees' Retirement System, and Judicial Retirement Fund. RSA may invest in any types of investments that the Board of Control of each individual system approves. Each Board is limited only by the "Prudent Man Rule" which requires it to use due care, skill, prudence, and diligence under the prevailing circumstances that a prudent man acting in a like capacity and familiar with such matters would use in investing.

Alabama Water Pollution Control Authority (AWPCA) The AWPCA is authorized to invest in (a) any debt securities that are direct or general obligations of the U. S.; (b) any debt security unconditionally guaranteed (principal and interest) by the U. S.; and (c) repurchase agreements collateralized by securities of the type described in (a) and (b) above or with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/dealer or bank has an uninsured, unsecured, and unguaranteed obligation rated "Prime-1" or "A3" or better by Moody's Investor Service, Inc., and "A-1" or "A-" or better by Standard & Poor's Corporation.

Alabama Housing Finance Authority (AHFA) - The Authority is authorized to invest in bonds or other obligations issued or guaranteed by the U.S. Government, or any agency thereof, or the State of Alabama. In addition, the Authority may invest in interest-bearing bank and savings and loan association deposits, any obligations in which a State-chartered savings and loan association may invest its funds, any agreement to repurchase any of the foregoing, or any combination thereof. Each of the trust indentures established under the Authority's mortgage revenue bond programs contains further restrictions on the investment of non-expended bond proceeds; however, each trust indenture must be consistent with the Authority's authorizing legislation with respect to the definition of eligible investments. The Authority's program investments consist of Government National Mortgage Association (GNMA) or Federal National Mortgage Association (FNMA) pass-through certificates, all of which are pledged as security for the mortgage revenue bonds.

Other investments include unexpended bond proceeds, temporary and reserve funds established under the provisions of various trust indentures, and investments of the Authority's operating fund.

Deferred Compensation Plan RSA-1 – A deferred compensation plan is administered by the Retirement Systems of Alabama (RSA). The plan is named the Public Employees' Individual Retirement Account/Deferred Compensation Plan, and is commonly referred to as RSA-1. By law, RSA-1 investments are made under the same rules, regulations, conditions, and guidelines governing the RSA.

Higher Education Loan Corporation (Corporation) - The bond trust indentures authorize the Corporation to invest bond proceeds only in certain types of investments including, but not limited to: (1) direct obligations of, or obligations unconditionally guaranteed by, the United States government; (2) bank demand deposits and certificates of deposit insured by the Federal Deposit Insurance Corporation or fully secured by obligations with the same characteristics as those described in items (1) above or (3) below; (3) obligations of or guaranteed by any agency or instrumentality of the U. S. government; (4) obligations with the same characteristics as those described in items (1) and (3) above held by the Trustee under written agreement whereby a bank or trust company agrees to repurchase the obligations, providing that the market value of such obligations, as determined monthly, is always at least equal to the repurchase prices specified in the agreement; (5) money market funds consisting solely of securities similar to those described in items (1), (3), and (4) above; (6)guaranteed investment contracts and, (7) any other investments or obligations consented to by the bond insurance provider. At September 30, 2000, the carrying amount of the Corporation's total cash deposits was $90,136 which approximated the bank balance. The amount covered by federal depository insurance was $100,000. Cash balances in excess of $100,000 are collateralized by investment securities held by the Trustee's agent in the Trustee's name.

Investments Made by Colleges and Universities - The colleges and universities invest funds in accordance with the applicable limits set forth in the gift instruments, Board of Trustees guidelines, or other applicable laws. Certain bond

indentures require that the bond funds invest all amounts in federal securities or eligible certificates. In accordance with GASB 31, most investments are stated at fair value.

C. Securities Lending Program

The Teachers' Retirement System (TRS), the Employees' Retirement System (ERS), and the Judicial Retirement Fund (JRF) are authorized by the Boards of Control to participate in a securities lending program. The Systems' custodian, Chase Manhattan Bank, administers the program. Certain equity securities from the TRS, ERS, and JRF are loaned to borrowers approved by the systems. Approved borrowers of securities provide acceptable collateral in the form of cash, U.S. Treasury securities, or U.S. Government Agency securities. All security loans are open loans and can be terminated on demand by the TRS, ERS, JRF, or borrower. Collateral must be provided in the amount of 105% and 102% of the fair value of the loaned securities for international and U.S. equity securities, respectively. All collateral remains in the exclusive possession of the Systems' custodial agent who is responsible for marking the collateral to market each day and ensuring that the loaned securities are properly collateralized at all times. The TRS, ERS, and JRF cannot pledge or sell collateral securities received unless the borrower defaults. Cash collateral is invested in a dedicated short-term investment fund in the respective Systems' name using investment guidelines provided by the TRS, ERS, and JRF. There is no direct matching of the maturities of the loans with the investments made with cash collateral.

At September 30, 2000, the fair value of the securities on loan was $971,969 for the TRS, $503,805 for the ERS, and $7,517 for the JRF. The fair value of the collateral pledged by the borrowers was $1,026,560 for the TRS, $523,009 for the ERS, and $7,751 for the JRF. Since the amounts owed by the TRS, ERS and JRF to borrowers exceeded the amounts the borrowers owed to the TRS, ERS, and JRF, there was no credit risk exposure as of September 30, 2000. There were no significant violations of legal or contractual provisions, no borrower or lending agent default losses, and no recoveries of prior period losses during the year.

D. Derivatives

The Retirement Systems of Alabama periodically invest in mortgage-backed securities to improve yield and adjust the duration of the Systems' fixed income portfolio. These securities are subject to change in value due to changes in interest rates. Credit risk (the risk that counterparty might be unable to meet its obligations) results from the same considerations as other counterparty risk assumed by the Systems.

E. Investment Credit Risk

The tables on the following page summarize the carrying and fair value of the State's investments by type and categorizes the investments by level of credit risk as follows:

Category 1 - Insured or registered, or securities held by the State or its agent in the State's name.

Category 2 - Uninsured or unregistered, with securities held by the counterparty's trust department or agent in the State's name.

Category 3 - Uninsured or unregistered, with securities held by the counterparty, or its trust department or agent, but not in the State's name.

Investments not required to be categorized are presented "below the line," followed by reconciling items between this note and the total investments as shown on the balance sheet.

INVESTMENT CREDIT RISK
(Amounts in Thousands)

	Category			Carrying	Fair
Primary Government	**1**	**2**	**3**	**Value**	**Value**
Commercial Paper	$ 34,451	$ 9,039	$ 57,742	$ 101,232	$ 101,232
U S Government Guaranteed Securities	371,058	5,059	21,271	397,388	397,388
U S Agency Securities	411,949	873	-	412,822	412,822
International Government Bonds	11,493	-	-	11,493	11,493
State and Local Government Securities	53,993	-	4,755	58,748	58,748
Mortgage Backed Securities	473,791	45,873	6,142	525,806	525,806
Corporate Bonds	533,556	5,760	3,273	542,589	542,589
Common and Preferred Stocks	404,228	10,886	200	415,314	415,314
Repurchase Agreements	23,664	338,276		361,940	361,940
Subtotals				2,827,332	2,827,332
Investments Not Categorized					
Real Estate and Mortgages				19,586	19,586
Mutual and Money Market Funds				56,886	56,886
Guaranteed Investment Contracts				2,305	2,305
Private Placements				2,934	2,934
Total Primary Government	**$ 2,318,183**	**$ 415,766**	**$ 93,383**	**$ 2,909,043**	**$ 2,909,043**
Component Units					
Commercial Paper	25,562	2,534	2,714,403	2,742,499	2,742,499
U S Government Guaranteed Securities	713,730	49,576	-	763,306	763,306
U S Agency Securities	2,167,030	6,753	-	2,173,783	2,173,783
International Government Bonds	48,981	-	1,789,790	1,838,771	1,838,771
State and Local Government Securities	50,218	-	-	50,218	50,218
Mortgage Backed Securities	841,125	-	-	841,125	841,125
Corporate Bonds	4,054,212	-	-	4,054,212	4,054,212
Common and Preferred Stocks	8,404,193	-	1,431	8,405,624	8,405,624
Repurchase Agreements	221,734	519,277	48,000	789,011	789,011
University Pooled Investments	413,531	-	-	413,531	413,531
Subtotals				22,072,080	22,072,080
Investments Not Categorized					
Real Estate and Mortgages				899,360	899,360
Mutual and Money Market Funds				152,144	152,144
Pooled Investments				389,324	389,324
Guaranteed Investment Contracts				126,149	126,149
Private Placements				5,784,914	5,784,914
Securities Lent Under Sec. Lend. Agree.					
U.S. Government Guaranteed Bonds				116,130	116,130
Domestic Corporate Bonds				8,588	8,588
Domestic Common Stock				1,058,370	1,058,370
International Stocks				273,935	273,935
Total Component Units	**$ 16,940,316**	**$ 578,140**	**$ 4,553,624**	**30,880,994**	**30,880,994**
Totals Reporting Entity				**$ 33,790,037**	**$ 33,790,037**

Reconciliation to Balance Sheet	**Primary Government**	**Component Units**	**Total**
Investments Per Investment Note	$ 2,909,043	$ 30,880,994	$ 33,790,037
Certificates of Deposit †	60,172	21,606	81,778
Cash Equivalents †	(355,884)	(532,542)	(888,426)
Investments Classified as Restricted Assets	(8,720)	(6,292)	(15,012)
Securities Purchased with Sec. Lend. Collateral	-	(1,530,523)	(1,530,523)
Totals Investments Per Balance Sheet	**$ 2,604,611**	**$ 28,833,243**	**$ 31,437,854**

† Investment types not required to be presented in the investment credit note.

4 FIXED ASSETS

As of September 30, 2000, the fixed assets for the Primary Government and the Component Units are presented in the following table (expressed in thousands):

	PRIMARY GOVERNMENT					
	Enterprise Funds	Internal Service Funds	Trust & Agency Funds	General Fixed Assets Account Group	Higher Education	Total
Land	$ 47,558	$ 545	$ 26,981	$ 58,385	$ 14,430	$ 147,899
Buildings	137,263	165,249	190	696,117	442,230	1,441,049
Equipment	197,866	184,098	60	444,779	161,862	988,665
Construction in Progress	4,752	907	-	16,133	20,275	42,067
Other Fixed Assets	200,950	1,417	-	10,605	55,416	268,388
Total	588,389	352,216	27,231	1,226,019	694,213	2,888,068
Less: Accumulated Depreciation	(235,704)	(220,635)	(229)	-	-	(456,568)
Total Fixed Assets Per Balance Sheet	**$ 352,685**	**$ 131,581**	**$ 27,002**	**$ 1,226,019**	**$ 694,213**	**$ 2,431,500**

	COMPONENT UNITS				
	Governmental Funds	Proprietary Funds	Fiduciary Funds	Higher Education	Total
Land	$ 10,048	$ 6,010	$ 1,190	$ 151,094	$ 168,342
Buildings	240,211	33,286	8,083	2,221,849	2,503,429
Equipment	22,954	29,578	3,754	838,708	894,994
Construction in Progress	-	564	-	45,982	46,546
Other Fixed Assets	327	19,323	-	260,232	279,882
Total	273,540	88,761	13,027	3,517,865	3,893,193
Less: Accumulated Depreciation	-	(40,001)	(6,546)	(971,915)	(1,018,462)
Total Fixed Assets Per Balance Sheet	**$ 273,540**	**$ 48,760**	**$ 6,481**	**$ 2,545,950**	**$ 2,874,731**

Changes in the general fixed assets account group by major classification for the year ended September 30, 2000, are presented in the following table (amounts in thousands):

	Balance October 1, 1999 as Previously Reported	Restatements	Additions	Reductions	Balance Sept. 30, 2000
Land	$ 57,169	$ -	$ 1,959	$ 743	$ 58,385
Buildings	597,405	1,278	98,514	1,080	696,117
Equipment	422,805	855	61,788	40,669	444,779
Construction in Progress	76,188	-	7,486	67,541	16,133
Other Fixed Assets	9,291	24	1,416	126	10,605
Total General Fixed Assets	**$ 1,162,858**	**$ 2,157**	**$ 171,163**	**$ 110,159**	**$ 1,226,019**

5 LONG-TERM DEBT

A. Debt Limitations and Methods of Bond Issuance

Under Section 213 of the Constitution of Alabama, as modified by Amendment 26, the State is constitutionally prohibited from incurring debt except to repel invasion or suppress insurrection. Therefore, the only method under which general obligation debt can be incurred is by amendment to the Constitution. Although conventions proposed by the legislature and approved by the electorate may be called for the purpose of amending the Constitution, historically all amendments have been adopted by a procedure which requires them to be proposed by a three-fifths majority of each house of the legislature and thereafter ratified by a majority of the electorate.

The Supreme Court of Alabama has ruled that the debt prohibition does not apply to debts incurred by separate public corporations functioning as State instrumentalities. The State has followed the practice of financing certain capital improvements by issuing debt through such public corporations. The Legislature (through enabling legislation) and the Governor (by executive order) have created public corporations and authorities of the State for the purpose of financing projects and programs such as public highways, public educational facilities, judicial buildings, student loans, affordable housing, and other projects. In most instances, State officials such as the Governor, Lieutenant Governor, Attorney General, State Treasurer, and the Director of Finance serve as board members of these corporations. The revenue bonds issued by these corporations are limited obligations of the corporation, not general obligations of the State, and the full faith and credit of the State is not pledged for their repayment. Certain revenues, usually earmarked taxes or revenues generated from the project financed, are pledged for the payment of the debt. Depending on the GASB criteria discussed in Note 1, some of these corporations are reported by blending them with the primary government and some are reported discretely.

The State and its component units issue serial and term bonds and capital appreciation bonds. Capital appreciation bonds are sold at a deep discount and do not pay any interest until the bonds mature. Based on the original offering price, the bonds increase in value as semi-annual interest is earned and is compounded from the original issuance date to the date of maturity. The issuance of this type bond postpones the cash flow until the bonds mature or are called. The increase in the value of the bonds is referred to as accretion.

B. General Obligation Bonds

The State has general obligation bond issues outstanding for the purpose of financing improvements to waterways, improvement of State Port Authority's facilities, construction and improvements of prisons, roads and bridges, mental hospitals, Mobile harbor, State parks, youth services facilities, renovation of state buildings, renovation of the State Coliseum, buildings and equipment for public schools and colleges, conservation projects, and equipment for educational television. The full faith and credit of the State is pledged for the payment of the bonds. The following schedule shows the general obligation annual debt service requirements and is followed by a detailed table describing each individual general obligation bond issue outstanding:

Debt Service Requirements to Maturity

Maturity	Principal		Interest	Total
2001	$ 47,395,000		$ 11,048,730	$ 58,443,730
2002	37,720,000		8,727,438	46,447,438
2003	39,855,000		6,607,600	46,462,600
2004	38,595,000		4,464,540	43,059,540
2005	40,460,000		2,453,256	42,913,256
2006-2010	86,659,791		24,191,222	110,851,013
Total	**$290,684,791**	†	**$ 57,492,786**	**$ 348,177,577**

† The liability reported on the balance sheet includes $1,796,715 for the accretion of interest on capital appreciation bonds. The above table shows interest in the year it is paid, not the year it is accrued.

GENERAL OBLIGATION BONDS PAYABLE

General Obligation Issue	Date Issued	Final Maturity Date	Interest Rates	Bonds Payable Sept. 30, 2000
1992 Waterway Refunding				
Series A, Coosa Waterway	02/01/92	12/01/02	5.3% to 5.7%	880,000
Series B, Tennessee-Tombigbee Waterway	02/01/92	12/01/02	5.3% to 5.7%	7,705,000
Series 1999				
Series A Refunding Bonds Maturing on October 1	07/15/99	10/01/07	4.6% to 5.5%	269,501,506 †
Series B Refunding Bonds Maturing on October 1	07/15/99	10/01/09	3.8% to 5.0%	14,395,000
Total General Obligation Bonds				**$ 292,481,506**

† The amount outstanding includes $1,796,715 accretion of interest.

C. Revenue Bonds

1. Primary Government - General Long-term Debt Account Group

ALABAMA INDUSTRIAL ACCESS ROAD AND BRIDGE AUTHORITY

The Alabama Industrial Access Road and Bridge Authority is authorized to issue bonds to finance the construction of industrial access roads and bridges in the state. Revenues from gasoline, motor fuel, and lubricating oil taxes are pledged for the payment of these bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 3,675,000	$ 735,390	$ 4,410,390
2002	3,860,000	566,105	4,426,105
2003	4,065,000	384,433	4,449,433
2004	2,420,000	187,835	2,607,835
2005	1,305,000	63,945	1,368,945
Total	**$ 15,325,000**	**$ 1,937,708**	**$ 17,262,708**

ALABAMA CORRECTIONS INSTITUTE FINANCE AUTHORITY

The Alabama Corrections Institution Finance Authority issues bonds for the purposes of acquiring land and constructing correctional institutions. The bonds are payable from revenues derived from payments under a lease agreement between the Authority and the Department of Corrections. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 4,540,000	$ 2,183,095	$ 6,723,095
2002	4,755,000	1,971,985	6,726,985
2003	4,995,000	1,743,745	6,738,745
2004	5,250,000	1,498,990	6,748,990
2005	5,520,000	1,236,490	6,756,490
2006-2013	17,680,000	3,709,645	21,389,645
Total	**$ 42,740,000**	**$ 12,343,950**	**$ 55,083,950**

ALABAMA JUDICIAL BUILDING AUTHORITY

The Alabama Judicial Building Authority issues bonds for the purpose of funding the acquisition and construction of judicial facilities. The bonds are payable from revenues and receipts paid by the Judicial System pursuant to the lease, proceeds of insurance in the event of damage or destruction of the facilities, amounts, if any, received in the event of condemnation of the facilities, amounts payable by AMBAC under the Municipal Bond Insurance Policy, and earnings, if any, on funds held by the State Treasurer. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 1,775,100	$ 2,198,127	$ 3,973,227
2002	1,657,461	2,316,959	3,974,420
2003	1,533,663	2,436,707	3,970,370
2004	1,439,400	2,531,715	3,971,115
2005	3,700,000	276,055	3,976,055
2006-2014	19,074,439	16,369,651	35,444,090
Total	**$29,180,063** †	**$ 26,129,214**	**$ 55,309,277**

† The liability reported on the balance sheet includes $9,378,521 for the accretion of interest on capital appreciation bonds. The above table shows interest in the year it will be paid, not the year it is accrued.

ALABAMA PUBLIC HEALTH CARE AUTHORITY

The Alabama Public Health Care Authority issues bonds for the purpose of funding the acquisition and construction of public health care facilities. Revenues received from leases with the county health departments, income from investments, real property, equipment, cash, securities, and a policy of municipal bond insurance are pledged for the payment of principal and interest on the bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ -	$ 895,313	$ 895,313
2002	530,000	1,762,075	2,292,075
2003	570,000	1,723,575	2,293,575
2004	610,000	1,682,275	2,292,275
2005	650,000	1,638,175	2,288,175
2006-2026	27,145,000	20,608,113	47,753,113
Total	**$29,505,000** †	**$ 28,309,526**	**$ 57,814,526**

† The Authority paid $495,000 principal that matured on Oct 1, 2000 prior to maturity date. Interest of $902,638 due for the fiscal year ended September 30, 2001 was paid prior to October 1, 2000.

The primary government revenue bond debt reported in the General Long-Term Debt Account Group appears below:

PRIMARY GOVERNMENT Revenue Bonds, General Long-Term Debt Account Group	Date Issued	Final Maturity Date	Interest Rates	Bonds Payable † Sept. 30, 2000
Alabama Industrial Access Road and Bridge Corporation				
Capital Improvement Bonds, Series 1993A	09/01/93	06/01/03	4.20% to 4.60%	$ 5,065,000
Capital Improvement Bonds, Series 1994	06/01/94	06/01/04	5.00% to 5.35%	4,350,000
Capital Improvement Bonds, Series 1995	08/01/95	06/01/05	4.55% to 4.90%	5,910,000
Alabama Corrections Institution Finance Authority				
Series 1993-A Refunding Bonds	08/01/93	04/01/06	4.50% to 5.20%	23,725,000
1993-B Serial Bonds	08/01/93	04/01/06	4.50% to 5.20%	7,145,000
1993-B Term Bonds	08/01/93	04/01/13	5.50% to 5.50%	11,870,000
Alabama Judicial Building Authority				
1990 Capital Appreciation Bonds	06/01/90	01/01/04	7.00% to 7.25%	12,221,775 †
Series 1996 Current Interest Bonds	12/01/96	01/01/06	4.20% to 4.85%	7,940,000
Series 1996 Capital Appreciation Bonds	12/01/96	01/01/14	5.15% to 5.75%	18,396,809 †
Alabama Public Health Care Authority Series 1996	05/15/96	10/01/25	5.20% to 7.00%	29,505,000
Total Primary Government Revenue Bonds Payable, General Long-Term Debt Account Group				**$ 126,128,584**

† Balance includes the accretion of interest on capital appreciation bonds in the amount of $6,176,151 for the Judicial Building Authority 1990 Capital Appreciation Bonds, and $3,202,370 for the 1996 Judicial Building Authority Capital Appreciation Bonds.

2. Primary Government – Proprietary Funds

MONTGOMERY DOWNTOWN REDEVELOPMENT AUTHORITY

The Montgomery Downtown Redevelopment Authority issued bonds to fund the construction of the Gordon Persons Building. Debt service is payable solely from the revenues and receipts paid pursuant to leases, proceeds of insurance in the event of damage or destruction of the building, amounts received in the event of condemnation of the building, amounts payable by MBIA under the Insurance Policy, amounts on deposit in the Reserve Fund held by the Trustee, earnings, if any on funds held by the Trustee, and funds received by the Trustee in the event of any foreclosure sale of the building. The following schedule details the annual debt service requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 2,690,000	$ 3,248,433	$ 5,938,433
2002	2,830,000	3,111,778	5,941,778
2003	2,980,000	2,965,038	5,945,038
2004	3,140,000	2,807,408	5,947,408
2005	3,320,000	2,637,788	5,957,788
2006-2014	46,080,000	13,656,771	59,736,771
Total	**$ 61,040,000**	**$ 28,427,216**	**$ 89,467,216**

ALABAMA BUILDING RENOVATION FINANCE AUTHORITY

The Alabama Building Renovation Finance Authority issues bonds to provide funding for the renovation, reconstruction, operation, and maintenance of public office buildings in the state capitol complex. The Authority also receives income from the rental of the office buildings to state agencies. The bonds issued by the Authority are payable from the rents received by the authority under lease agreements. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ -	$ 1,955,979	$ 1,955,979
2002	860,000	1,955,979	2,815,979
2003	895,000	1,919,859	2,814,859
2004	935,000	1,880,479	2,815,479
2005	975,000	1,838,871	2,813,871
2006-2024	32,310,000	21,194,206	53,504,206
Total	35,975,000	**$30,745,373**	**$ 66,720,373**
Unamort Disc	(98,342)		
Unamort Loss	(1,083,547)		
	$ 34,793,111		

ALABAMA STATE PORT AUTHORITY

The Alabama State Port Authority (ASPA) issued bonds for the construction and maintenance of a wharf, warehouse, open storage area and other port facilities at Mobile Bay. The bonds are secured by the gross revenues of ASPA derived from charges made by ASPA for all services provided. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity †	Principal	Interest	Total
2001	$ 4,510,000	$ 10,584,953	$ 15,094,953
2002	4,745,000	10,348,178	15,093,178
2003	5,005,000	10,087,203	15,092,203
2004	5,280,000	9,811,928	15,091,928
2005	5,575,000	9,521,528	15,096,528
2006-2022	160,785,000	95,831,685	256,616,685
Total	185,900,000	**$146,185,475**	**$332,085,475**
Unamort Disc	(4,927,760)		
	$180,972,240		

† Amounts are due on October 1, but historically are paid a few days prior to the end of the previous fiscal year (September 30). The above schedule

PRIMARY GOVERNMENT Revenue Bonds, Proprietary Funds	Date Issued	Final Maturity Date	Interest Rates	Bonds Payable Sept. 30, 2000
Montgomery Downtown Redevelopment Authority				
Series 1992	08/01/92	10/01/13	4.75% to 5.70%	$ 61,040,000
Alabama Building Renovation Finance Authority				
Serial Bonds, Series 1999	09/01/99	09/01/19	4.20% to 6.00%	23,990,000
Term Bonds, Series 1999	09/01/99	09/01/24	5.63% to 5.63%	11,985,000
Alabama State Port Authority				
Series 1996	03/01/96	10/01/21	6.10% to 6.30%	58,000,000
Series 1997	09/01/97	10/01/17	4.90% to 5.38%	34,665,000
Series 1998, Refunding Bonds	07/08/98	10/01/22	5.25% to 6.00%	93,235,000
Sub-total Revenue Bonds Payable, Proprietary Funds				282,915,000
§ Less: Unamortized Discounts				(5,026,102)
† Less: Unamortized Loss				(1,083,547)
Net Primary Government Revenue Bonds Payable, Proprietary Funds				**$276,805,351**

§ Unamortized discounts were $4,927,760 for Alabama State Port Authority and $98,342 for Alabama Building Renovation Finance Authority.

† Unamortized accounting loss for the Alabama Building Renovation Finance Authority.

3. Primary Government - Higher Education

The boards of the various two-year institutions of higher education which make up the Alabama College System have numerous bond issues outstanding for a variety of purposes. Most were issued for the construction, renovation, and acquisition of buildings for various purposes, including classrooms, research facilities, dormitories, student centers, dining facilities, hospitals, and athletic facilities. The total principal amount outstanding on these bonds is $107,882,563 for the Alabama College System and $3,275,000 for Athens State.

Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 6,517,432
2002	6,326,786
2003	6,434,370
2004	6,662,083
2005	6,770,000
Thereafter	78,446,892
Total	**$ 111,157,563**

4. Component Units – Governmental Funds

ALABAMA INCENTIVES FINANCE AUTHORITY

The Alabama Incentives Finance Authority issues bonds to fund financial commitments to industries relocating to Alabama under the terms of the State's Industrial Incentives legislation. At September 30, 2000, the outstanding principal balance of the 1995B bonds was $32,372,000 which included $2,372,000 in accreted interest, and the outstanding principal balance of the 1999C bonds was $42,425,000. The interest rates for the Series 1995B bonds and the Series 1999C bonds are variable and conditional depending on a variety of factors, therefore no schedule of debt service requirements to maturity is possible.

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 1,000,000	$ 6,679,316	$ 7,679,316
2002	1,000,000	6,615,066	7,615,066
2003	1,080,000	6,545,616	7,625,616
2004	1,155,000	6,469,319	7,624,319
2005	1,225,000	6,385,984	7,610,984
2006-2030	87,335,000	100,123,749	187,458,749
Total	**$ 92,795,000**	**$ 132,819,050**	**$ 225,614,050**

ALABAMA PUBLIC SCHOOL AND COLLEGE AUTHORITY

The Alabama Public School and College Authority (APSCA) is authorized to issue bonds to construct and improve educational buildings. Revenue from the sales and use taxes, the leasing tax, and the utilities gross receipts and use taxes are pledged for the payment of these bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 53,910,000	$ 67,561,844	$ 121,471,844
2002	54,665,000	65,195,071	119,860,071
2003	57,405,000	62,446,456	119,851,456
2004	60,295,000	59,560,159	119,855,159
2005	63,205,000	56,647,906	119,852,906
2006-2029	1,011,520,000	414,342,564	1,425,862,564
Total	**$ 1,301,000,000**	**$725,754,000**	**$2,026,754,000**

STATE INDUSTRIAL DEVELOPMENT AUTHORITY

State Industrial Development Authority issues bonds for the purpose of financing projects that promote the industrial development of the State. Revenues from cigarette and tobacco taxes are pledged for the payment of these bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 2,525,000	$ 953,223	$ 3,478,223
2002	2,470,000	810,245	3,280,245
2003	2,600,000	623,140	3,223,140
2004	2,700,000	488,840	3,188,840
2005	2,650,000	348,315	2,998,315
2006-2008	6,380,000	457,305	6,837,305
Total	**$ 19,325,000**	**$ 3,681,068**	**$ 23,006,068**

ALABAMA MENTAL HEALTH FINANCE AUTHORITY

The Alabama Mental Health Finance Authority issues bonds for the acquisition, construction, improvement, and equipping of mental health facilities. Revenues from certain tobacco and liquor taxes are pledged for the payment of principal and interest on these bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 4,645,000	$ 3,009,838	$ 7,654,838
2002	4,895,000	2,789,200	7,684,200
2003	5,090,000	2,550,569	7,640,569
2004	5,400,000	2,302,431	7,702,431
2005	5,590,000	2,032,431	7,622,431
2006-2015	33,645,000	6,797,069	40,442,069
Total	**$ 59,265,000**	**$ 19,481,538**	**$ 78,746,538**

ALABAMA 21st CENTURY AUTHORITY

The Alabama 21st Century Authority issues bonds for the purpose of promoting economic development and industrial recruitment for the State of Alabama The bonds are special obligations of the Authority payable solely from the Trust Estate created under the Indenture. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ -	$ 2,091,761	$ 2,091,761
2002	1,460,000	2,750,720	4,210,720
2003	1,535,000	2,672,101	4,207,101
2004	1,615,000	2,589,414	4,204,414
2005	1,700,000	2,502,395	4,202,395
2006-2021	43,690,000	23,024,240	66,714,240
Total	**$ 50,000,000**	**$ 35,630,631**	**$ 85,630,631**

TENNESSEE VALLEY EXHIBIT COMMISSION

The Tennessee Valley Exhibit Commission issued bonds for the purpose of funding the Tennessee Valley Exhibit Center. The full faith and credit of the State do not back these revenue bonds. The principal and interest requirements on these bonds are payable from the revenues of the Commission. If these revenues are insufficient, then the "in lieu of taxes" payments made to the State by the Tennessee Valley Authority are used to pay the debt. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 295,000	$ 206,950	$ 501,950
2002	310,000	189,250	499,250
2003	330,000	170,340	500,340
2004	355,000	149,880	504,880
2005	375,000	127,515	502,515
2006-2010	1,545,000	255,270	1,800,270
Total	**$ 3,210,000**	**$ 1,099,205**	**$ 4,309,205**

ALABAMA REVOLVING LOAN FUND AUTHORITY

The Alabama Revolving Loan Fund Authority issues bonds for the purpose of making grants to the Regional Planning and Development Commissions which are utilized by the grantees as revolving loan funds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 245,000	$ 971,580	$ 1,216,580
2002	270,000	950,516	1,220,516
2003	290,000	927,612	1,217,612
2004	315,000	902,868	1,217,868
2005	345,000	875,874	1,220,874
2006-2020	10,535,000	7,749,119	18,284,119
Total	**$ 12,000,000**	**$ 12,377,569**	**$ 24,377,569**

COMPONENT UNITS Revenue Bonds, Governmental Funds	Date Issued	Final Maturity Date	Interest Rates	Bonds Payable Sept. 30, 2000
Alabama Incentives Finance Authority				
Series 1995-B	Sep-95	Conditional	Conditional	32,372,000
Series 1999-A	10/01/99	10/01/29	6.00% to 6.00%	23,970,000
Series 1999-B	10/01/99	10/01/29	6.25% to 7.88%	68,825,000
Series 1999-C	10/01/99	10/01/29	Variable	42,425,000
Alabama Public School and College Authority				
Refunding Bonds, Series 1991	10/15/91	01/01/01	5.80% to 5.90%	3,495,000
Refunding Bonds, Series 1993	03/01/93	12/01/05	4.30% to 5.00%	162,770,000
Refunding Bonds, Series 1993-A	10/01/93	08/01/06	4.10% to 6.00%	74,515,000
Series 1996	01/15/96	11/01/07	4.50% to 5.25%	188,270,000
Series 1998	11/01/98	11/01/18	4.25% to 5.25%	300,000,000
Series 1999-A	09/01/99	09/01/29	5.50% to 5.50%	18,360,000
Series 1999-B	09/01/99	09/01/09	7.10% to 7.15%	70,640,000
Series 1999-C	10/01/99	07/01/19	5.50% to 5.75%	250,000,000
Series 1999-D	11/01/99	08/01/19	5.00% to 6.00%	232,950,000
State Industrial Development Authority				
Capital Improvement Bonds, Series 1991-A	09/01/91	09/01/01	6.30% to 6.38%	1,570,000
Capital Improvement Bonds, Series 1992	05/15/92	05/01/02	6.00% to 6.15%	1,635,000
Capital Improvement Bonds, Series 1993	11/01/93	11/01/03	4.40% to 5.00%	2,900,000
Special Tax Bonds, Series 1995	01/01/95	01/01/05	5.50% to 6.00%	4,000,000
Special Tax Bonds, Series 1998	02/01/98	02/01/08	4.00% to 4.30%	9,220,000
Mental Health Finance Authority Bonds				
Series 1995	07/01/95	05/01/15	4.75% to 5.50%	59,265,000
Tennessee Valley Exhibit Commission				
Serial Refunding Bonds, Series 1992	06/01/92	06/01/05	5.90% to 6.40%	1,665,000
Term Refunding Bonds, Series 1992	06/01/92	06/01/10	6.70% to 6.70%	1,545,000
Alabama 21st Century Authority				
Tobacco Settlement Revenue Bonds, Series 2000	09/01/00	12/01/20	4.68% to 6.13%	50,000,000
Alabama Revolving Loan Fund Authority				
Series 2000	03/01/00	03/01/20	8.18% to 8.18%	12,000,000
Total Component Units Revenue Bonds, Governmental Funds				**$ 1,612,392,000**

5. Component Units - Proprietary Funds

ALABAMA HOUSING FINANCE AUTHORITY

The Alabama Housing Finance Authority issues bonds that are limited obligations of the Authority and are not a debt or liability of the State. Each bond issue is secured, as described in the applicable trust indenture, by all revenues, monies, investments, mortgage loans, and other assets in the funds and accounts of the program. Substantially all of the Authority's assets are pledged as security for the bonds. Principal payments on bonds after 2001 are scheduled as follows:

Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 13,973,000
2002	16,745,000
2003	33,136,000
2004	16,461,000
2005	20,558,000
2006-2038	1,000,517,000
Total	1,101,390,000
Unamort Disc	(4,576,000)
Net	**$ 1,096,814,000**

WATER POLLUTION CONTROL AUTHORITY

The Alabama Water Pollution Control Authority issues bonds to provide funds for the purpose of making loans to certain local government units to construct sewage treatment plants and related facilities. Proceeds from loan agreements are used for payment of debt service related to the bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 20,465,000	$ 29,110,904	$ 49,575,904
2002	21,870,000	28,079,371	49,949,371
2003	23,230,000	26,967,958	50,197,958
2004	23,715,000	25,767,917	49,482,917
2005	24,935,000	24,526,887	49,461,887
2006-2023	427,950,000	176,566,168	604,516,168
Total	$542,165,000	**$311,019,205**	**$853,184,205**
Unamort Disc	(8,092,298)		
Unamort Loss	(5,209,215)		
Net	**$528,863,487**		

ALABAMA DRINKING WATER AUTHORITY

The Alabama Drinking Water Authority issues bonds to provide funds for the purpose of making loans to local governments for planning, designing, acquiring, or constructing sanitary drinking water and related facilities. Proceeds from the loan agreements are used for payment of debt service related to the bonds. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 1,460,000	$ 2,600,374	$ 4,060,374
2002	1,600,000	2,534,684	4,134,684
2003	1,655,000	2,455,728	4,110,728
2004	1,720,000	2,373,805	4,093,805
2005	1,785,000	2,288,296	4,073,296
2006-2022	41,280,000	21,100,976	62,380,976
Total	$ 49,500,000	**$ 33,353,863**	**$ 82,853,863**
Unamort Disc	(210,582)		
Net	**$ 49,289,418**		

ALABAMA SPACE SCIENCE EXHIBIT FINANCE AUTHORITY

The Alabama Space Science Exhibit Finance Authority issued bonds to finance the construction of the Space Camp and related housing facilities for the campers. The bonds are secured by a lease of the facilities to the Space Science Exhibit Commission as well as a pledge of all revenues of the Commission. The following schedule details the annual debt service funding requirements:

Debt Service Requirements to Maturity

Maturity	Principal	Interest	Total
2001	$ 715,000	$ 1,330,865	$ 2,045,865
2002	970,000	1,290,616	2,260,616
2003	1,025,000	1,236,000	2,261,000
2004	1,085,000	1,176,688	2,261,688
2005	1,150,000	1,111,843	2,261,843
2006-2025	16,100,000	10,921,106	27,021,106
Total	21,045,000	**$ 17,067,118**	**$ 38,112,118**
Unamort Dis	(234,040)		
Unamort Los	(296,851)		
Net	**$ 20,514,109**		

ALABAMA HISTORIC IRONWORKS COMMISSION

The Governmental Utility Services Corporation of Jefferson County - Tannehill Historical State Park was created for the purpose of issuing bonds to acquire and construct a sanitary sewer system and related facilities for the Tannehill State Park, which is operated by the Alabama Historic Ironworks Commission (formerly Tannehill Furnace and Foundry Commission). Three members of the Alabama Historic Ironworks Commission serve as directors of the corporation. The Commission also issued a bond to cover the cost of improvements to the state park and other historic sites operated by the Commission. Revenues of Tannehill State Park are pledged for payment of all bond principal and interest. The following schedule details the annual debt service funding requirements:

Debt Principal Requirements to Maturity

Maturity	Principal †
2001	$ 25,000
2002	25,000
2003	25,000
2004	16,451
Total	**$ 91,451**

† The Commission paid $12,431 of the principal due in FY 2001 prior to October 1, 2000. The Commission has issued both fixed and variable rate bonds, therefore the annual requirements for the payment of interest in future years is not available.

ALABAMA HIGHER EDUCATION LOAN CORPORATION

The Alabama Higher Education Loan Corporation issues bonds to provide Alabama lending institutions with a secondary market for student loans made under the Higher Education Act, which established the federal Guaranteed Student Loan Program. The corporation issues tax-exempt revenue bonds in order to fund its operations. The proceeds are used to purchase student loans and fund operating costs of the corporation. The bonds are repaid from principal repayments on student loans, interest, and special allowance payments from the U. S. Department of Education, interest income from investments, guarantee payments on defaulted loans, proceeds from any sale of loans, issuance of refunding bonds, and if necessary, by drawing on the corporation's irrevocable letters of credit. The following schedule details the annual debt service funding requirements:

Debt Principal Requirements to Maturity

Maturity	Principal †
2001	$ 2,010,000
2002	370,000
2003	3,735,000
2004	25,405,000
2005	-
2006-2033	43,400,000
Total	74,920,000
Unamort Disc	(16,355)
Net	**$ 74,903,645**

† The Corporation issues both fixed and variable rate bonds, therefore the annual requirements for payments of interest in future years is not available.

COMPONENT UNITS Revenue Bonds, Proprietary Funds	Date Issued	Final Maturity Date	Interest Rates	Bonds Payable Sept. 30, 2000
Alabama Housing Finance Authority				
Single family Bond Programs	1982-2000	2013-2031	Various	$ 907,429,000
Multi-family Bond Programs	1987-2000	2009-2038	Various	193,961,000
Alabama Water Pollution Control Authority				
Revolving Fund Loan Bonds, Series 1991	08/01/91	08/15/14	6.25% to 6.70%	62,475,000
Revolving Fund Loan Bonds, Series 1992-A	08/15/92	02/15/16	5.15% to 5.75%	58,905,000
Revolving Fund Loan Bonds, Series 1992-B	12/01/92	08/15/15	5.05% to 6.00%	12,900,000
Revolving Fund Loan Serial Bonds, Series 1993	11/01/93	08/15/16	4.40% to 5.60%	23,875,000
Revolving Fund Loan Term Bonds, Series 1993	11/01/93	08/15/15	5.00% to 5.25%	29,860,000
Revolving Fund Loan Bonds, Series 1994	12/01/94	08/15/17	5.85% to 6.95%	43,305,000
Revolving Fund Loan Bonds, Series 1996-A	01/15/96	08/15/18	5.00% to 5.25%	39,800,000
Revolving Fund Loan Bonds, Series 1996-B	11/01/96	08/15/20	5.25% to 5.50%	36,750,000
1997 Refunding Bonds Maturing in August	10/01/97	08/15/12	4.50% to 5.00%	46,185,000
1997 Refunding Bonds Maturing in February	10/01/97	02/15/13	4.50% to 5.00%	8,050,000
Revolving Fund Loan Bonds, Series 1998-A	01/01/98	08/15/21	4.75% to 4.75%	58,430,000
Revolving Fund Loan Bonds, Series 1998-B	12/01/98	08/15/21	4.25% to 5.00%	61,200,000
Revolving Fund Loan Bonds, Series 1999	12/01/99	08/15/23	4.25% to 6.00%	60,430,000
Alabama Drinking Water Authority				
Revolving Fund Loan Bonds, Series 1998-A	09/01/98	08/15/22	4.00% to 4.85%	35,425,000
Revolving Fund Loan Bonds, Series 2000-A	02/01/00	08/15/21	4.10% to 6.00%	8,550,000
Revolving Fund Loan Bonds, Series 2000-B	02/01/00	08/15/21	8.35% to 8.35%	5,525,000
Alabama Space Science Finance Authority				
Space Camp Habitat	08/01/92	08/01/07	6.10% to 6.50%	2,045,000
Refunding Bonds, Series 1995-A	12/01/95	12/01/06	5.00% to 5.90%	3,580,000
Series 1995-B	12/01/95	12/01/10	6.25% to 6.25%	3,520,000
Saturn V Bonds	06/29/99	10/01/24	5.10% to 6.88%	11,900,000
Governmental Utility Services Corp of Jefferson County				
Tannehill Historical State Park, Series 1995	March 1995	June 2004	Various	91,451
Higher Education Loan Corporation				
Student Loan Revenue Bonds, Series 1992-A	Feb 1992	Sept 2003	5.95% to 6.80%	4,635,000
Student Loan Revenue Bonds, Series 1994-B	Apr 1994	Mar 2002	4.50% to 5.65%	1,480,000
Student Loan Revenue Bonds, Series 1994-C	Apr 1994	Mar 2009	4.50% to 6.10%	17,360,000
Student Loan Revenue Bonds, Series 1994-D	Apr 1994	Sept 2010	4.50% to 6.15%	26,445,000
Student Loan Revenue Bonds, Series 1998-A	June 1998	Mar 2033	Various	25,000,000
Sub-total Revenue Bonds Payable, Proprietary Funds				1,789,111,451
Less: Unamortized Discounts				(13,129,275) †
Less: Unamortized Loss on Defeasances				(5,506,066) ‡
Total Revenue Bonds Payable, Proprietary Funds				**$ 1,770,476,110**

† Unamortized discounts were $16,355 for the Higher Education Loan Corporation, $4,576,000 for the Housing Finance Authority, $8,092,298 for the Water Pollution Control Authority, $210,582 for the Drinking Water Authority, and $234,040 for the Space Science Exhibit Commission.

‡ Unamortized loss on defeasance was $296,851 for the Alabama Space and Science Commission and $5,209,215 for the Water Pollution Control Authority.

6. Component Units - Higher Education

The boards of the various institutions of higher education have numerous bond issues outstanding for a variety of purposes. Most were issued for the construction, renovation, and acquisition of buildings for various purposes, including classrooms, research facilities, dormitories, student centers, dining facilities, hospitals, and athletic facilities. The following table shows the total principal outstanding by institution:

INSTITUTIONS OF HIGHER EDUCATION

Institution	Principal
University of Alabama - Tuscaloosa	$ 87,355,000
University of Alabama - Birmingham	564,514,752
University of Alabama - Huntsville	41,986,000
Alabama A&M University	66,055,000
Alabama State University	26,461,000
Auburn University	119,240,000
Jacksonville State University	14,900,000
University of West Alabama	4,244,500
University of Montevallo	8,578,000
University of North Alabama	14,145,000
University of South Alabama	104,649,602
Troy State University System	34,055,000
Marine Environmental Sciences Cons.	1,685,531
Total	**$ 1,087,869,385**

Discretely Presented Component Units
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 37,231,345
2002	38,786,989
2003	41,963,848
2004	47,446,359
2005	47,844,894
Thereafter	920,981,254
	1,134,254,689
Unamortized Discount	(16,914,547)
Other †	(29,470,757)
Total	**$ 1,087,869,385**

† Annual maturity requirements include notes payable in the amount of $5,199,644 for the Univ. of Alabama at Tuscaloos $57,086 for the Univ. of Alabama at Huntsville, $302,928 fo the University of North Alabama, and $23,911,099 additiona maturity value on Series 1999 capital apprec. bonds for the Univ. of South Alabama.

D. Summary of Bonds Payable

Primary Government	
General Obligation Bonds	$ 292,481,506
Revenue Bonds - GLTDAG	126,128,584
Revenue Bonds - Proprietary Funds	276,805,351
Revenue Bonds Higher Education	111,157,563
Total Primary Government	**806,573,004**
Component Units	
Revenue Bonds - Governmental Funds	1,612,392,000
Revenue Bonds - Proprietary Funds	1,770,476,110
Revenue Bonds - Higher Education	1,087,869,385
Total Component Units	**4,470,737,495**
Total Reporting Entity	**$ 5,277,310,499**

E. Refunded and Redeemed Bonds

Advance refunding bonds are issued to retire existing bonds. A portion of the proceeds from the sale of the refunding bonds is deposited with an escrow agent according to an escrow trust agreement. The proceeds are invested by the escrow agent in certain U.S. Treasury obligations in such amounts with certain maturities to provide sufficient funds to pay the remaining maturing principal and interest on the refunded bonds as they become due. The refunded bond debt is considered to be retired for financial reporting purposes even though the debt is still legally outstanding and the issuer of the bonds has not been released from the debt obligations. The U.S. Treasury obligations constitute a trust fund to be held by the escrow agent for the benefit of the holders of the refunded bonds. Advance refundings and early redemptions are discussed in the remainder of this section.

In August 2000, the University of Alabama in Birmingham issued Hospital Revenue Bonds Series D which bears interest at a variable rate. The Series D net proceeds of $76,397,830 were used to currently refund $75,000,000 of outstanding Series 1997A and 1997B Hospital Revenue Bonds. This current refunding resulted in an accounting loss of approximately $200,000, which includes the write-off of unamortized bond issue expenditures and discounts of approximately $335,000 for the year ended September 30, 2000. UAB increased its aggregate debt service payments by approximately $54,800,000 over the next 30 years and incurred an economic loss of approximately $3,300,000.

During the year ended September 30, 2000, the Alabama Housing Authority called approximately $140,915,000 of bonds in advance of their scheduled maturities. The extraordinary loss on early retirement of these bonds is $967,000 and is primarily comprised of unamortized deferred debt financing costs and unamortized discount.

DEFEASED BONDS

Primary Government	Principal
State Port Authority	
Seaport Facility Revenue Bonds	3,230,000
Component Units	
Housing Finance Authority	30,750,000
Alabama State University	4,209,227
Auburn University	4,140,000
University of Alabama in Huntsville	19,330,000
University of Alabama in Tuscaloosa	2,140,000
University of Alabama in Birmingham	205,000
University of South Alabama	15,890,000
University of North Alabama	2,395,000
Water Pollution Control Authority	
Series 1990A	15,270,000
Series 1990B	10,825,000

F. Arbitrage

The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt subsequent to August, 1986, to calculate and rebate arbitrage earnings to the federal government. The U.S. Treasury has issued regulations on calculating the rebate amount and complying with the provisions of the Tax Reform Act of 1986. Governmental issuers must comply with the rebate regulations in order for their bonds to maintain tax-exempt status.

The regulations require the excess of the aggregate amount earned on investments purchased with bond proceeds over the amount that would have been earned if the proceeds were invested at a rate equal to the bond yield to be rebated to the federal government. Income earned on excess earnings is also subject to rebate. Rebate payments, if required, are due at least once every five years over the life of the bonds. Bond issues with arbitrage liabilities outstanding at September 30, 2000, were as follows:

Primary Government	Amount
Industrial Access Road and Bridge	
Series 1994	152,871
Series 1995	290,217
Montgomery Downtown Redevelopment	
Authority, Series 1992	14,197
Public Health Care Authority	
Series 1996	66,919
Component Units	
Alabama Public School and College Authority	
Series 1996	1,036,987
Series 1999-D	1,346,964
Mental Health Finance Authority	
Series 1995	46,913
Water Pollution Control Authority	437,624
Alabama Higher Education Loan Corp.	5,591,206

These lists are based upon incomplete data since some bond issues have not yet been included in arbitrage calculations. Any refunded bond issue is subject to the rebate requirement until the last bond is redeemed. Bond issues that have already been redeemed may be subject to additional payments if an arbitrage rebate or spending payment is owed and has not been paid.

G. Bonds Authorized But Not Issued

Bonds Authorized But Not Issued
(Amounts in Thousands)

Primary Government	Authorized	Issued	Unissued
General Obligation Bonds			
State of Alabama	$ 350,000	$ -	$ 350,000
Alabama State Parks System Improvement Corp.	110,000	-	110,000
Agricultural Development Authority	57,700	-	57,700
Forensic Science Bond Authority	17,500	-	17,500
Alabama Building Renovation Authortiy	12,000	-	12,000
Federal Aid Highway Finance Authority	212,000	64,000	148,000
Farmers Market Authority	10,000	-	10,000
Highway Authority	20,000	7,000	13,000
Corrections Institution Finance Authority	32,500	-	32,500
Public Health Finance Authority	18,000	-	18,000
Parking Deck Authority	13,000	-	13,000
Total Primary Government	**852,700**	**71,000**	**781,700**
Component Units			
State Industrial Development Authority †	100,000	32,235	67,765
Mental Health Finance Authority	35,735	20,000	15,735
Total Component Units	**135,735**	**52,235**	**83,500**
Total Reporting Entity	**$ 988,435**	**$ 123,235**	**$ 865,200**

† The State Industrial Development Authority is authorized to issue a total of $100,000,000 in bonds in addition to any bonds authorized prior to 1991. No more than $40,000,000 in aggregate principal amount of such bonds may be outstanding at any one time. At 9/30/00, $19,325,000 was outstanding.

H. Forward Delivery Agreements

In September 1994, the Alabama Public School and College Authority (APSCA) and the Alabama Industrial Access Road and Bridge Authority (AIARBA) each entered into debt service forward delivery agreements with Merrill Lynch Capital Services, Inc. (MLCS). Under the agreements, the APSCA received $9,800,000 and the AIARBA received $1,084,841. In exchange for the above amounts, each Authority agreed to deposit one-sixth of the semi-annual interest and one-twelfth of the annual principal payable on certain bonds to MLCS each month. MLCS agreed in turn to deliver qualified securities that will mature on or before the bond payment dates. Because the interest that normally would be earned on these deposits belongs to the General Fund, the $10,884,841 paid by MLCS was deposited in the General Fund. The Forward Delivery Agreements are recorded in the General Long-Term Debt Account Group. The Agreements are being amortized on a straight-line basis over twelve years. This amortization is reflected in the General Fund as debt service expenditure and interest revenue.

I. Claims and Judgments

A judgment was entered against the State in favor of Alabama State University and Alabama A&M University. The State must pay each University $1,000,000 for the next ten years. The amount outstanding of $20,000,000 is reported in the General Long-Term Debt Account Group as Other Liabilities.

J. Notes, Mortgages, and Capital Leases

Primary Government
General Long-Term Debt Account Group
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 5,470,197
2002	5,596,582
2003	3,872,292
2004	3,219,725
2005	2,937,434
Thereafter	717,586
Total	21,813,816
Interest	(590,078)
Net	**$ 21,223,738**

Primary Government - Higher Education
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$1,665,244
2002	987,080
2003	841,220
2004	698,441
2005	634,926
Thereafter	3,397,630
Total	**$8,224,541**

Primary Government
Proprietary and Similar Funds
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 1,722,678
2002	1,173,158
2003	984,507
2004	647,369
2005	14,071
Thereafter	1,379,834
Total	5,921,617
Interest	(32,707)
Net	**$ 5,888,910**

Component Units
Proprietary and Similar Funds
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 8,903,431
2002	4,913,613
2003	4,926,549
2004	4,917,945
2005	4,585,000
Total	$ 28,246,538
Interest	(54,674)
Net	**$ 28,191,864**

Component Units - Higher Education
Debt Principal Requirements to Maturity

Maturity	Principal
2001	$ 10,403,708
2002	6,763,778
2003	6,811,018
2004	6,828,290
2005	5,552,931
Thereafter	42,824,361
Total	79,184,086
Less Interest	(2,183,893)
Other †	7,631,107
Total	**$ 84,631,300**

† The annual maturity amounts do not include $2,071,449 notes payable for Auburn University, $5,199,644 notes payable for the Univ. of Al-Tuscaloosa, $302,928 notes payable for Univ. of North Al, and $57,086 mortgages payable for the Univ.of Al-Huntsville.

K. Changes in General-Long-Term Debt
(Amounts in Thousands)

	Revenue Bonds	General Obligation Bonds	Compensated Absences	Claims & Judgments	Capital Leases & Mortgages	Forward Delivery Agreement	Arbitrage	Total
Balance at October 1, 1999	**$ 136,138**	**$ 319,160**	**$ 176,214**	**$ 22,000**	**$ 22,647**	**$ 6,349**	**$ 400**	**$ 682,908**
Change in Estimated Liabilities	-	-	6,924	-	-	-	-	6,924
Accretion of Capital Appreciation Bonds	240	1,797	-	-	-	-	-	2,037
Capital Lease Payments	-	-	-	-	(1,423)	-	-	(1,423)
Bond Principal Retirements	(10,249)	(28,475)	-	-	-	-	-	(38,724)
Forward Delivery Agreement Amortization	-	-	-	-	-	(907)	-	(907)
Payments on Claims and Judgments	-	-	-	(2,000)	-	-	-	(2,000)
Changes in Arbitrage Liabilities	-	-	-	-	-	-	110	110
Balance at September 30, 2000	**$ 126,129**	**$ 292,482**	**$ 183,138**	**$ 20,000**	**$ 21,224**	**$ 5,442**	**$ 510**	**$ 648,925**

6 FUND EQUITY RESTATEMENTS, RESERVATIONS AND DEFICITS

A. Beginning Fund Equity Restatements

Fund balances as of October 1, 1999, have been restated for certain accounting changes necessary to conform to Generally Accepted Accounting Principles. The largest restatement resulted from the implementation of a new capitalization threshold at the University of South Alabama. The University raised the threshold from $1,000 to 5,000, resulting in a change of $29,239,000 to the beginning fund balance for October 1, 1999.

Restatements of Beginning Fund Equity

(Amounts in Thousands)

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust Funds	General Fixed Assets	Higher Education	Component Units	Total Reporting Entity
Balances as Previously Reported at 9/30/99	$ 90,888	$ 566,851	$ 8,576	$ 10,380	$ 335,206	$ 236,308	$ 2,341,887	$ 1,162,858	$ 661,131	$ 28,817,784	$ 34,231,869
Prior Year Adjustments And Restatements For:											
Cash	-	133	-	-	-	-	-	-	-	-	133
Investments	-	1	-	-	-	(54)	(15)	-	-	1	(67)
Accounts Receivable	(4)	(2)	-	-	-	-	4	-	-	100	98
Other Assets	-	1,010	-	-	-	-	-	-	-	-	1,010
Liabilities	2	-	-	-	313	(318)	(1,346)	-	-	32	(1,317)
Accounts Payable	-	-	-	-	-	(2,180)	-	-	-	-	(2,180)
Fixed Assets/Acc. Depr.	-	-	-	-	(52)	409	-	-	-	(29,234)	(28,877)
Fund Operations Not Reported in Prev. F.Y.	-	5,478	-	-	596	-	-	-	-	-	6,074
Other Higher Educ Adjust.	-	-	-	-	-	-	-	-	192	(278)	(86)
Total Restatements	(2)	6,620	-	-	857	(2,143)	(1,357)	-	192	(29,379)	(25,212)
Balances as Restated At 10/1/99	$ 90,886	$ 573,471	$ 8,576	$ 10,380	$ 336,063	$ 234,165	$ 2,340,530	$ 1,162,858	$ 661,323	$ 28,788,405	$ 34,206,657

B. Proprietary Funds – Changes in Contributed Capital

The primary government enterprise fund contributed capital increased by $19,000 for fixed assets donated to State Parks and $117,000 for donations to the State Port Authority. The primary government internal service fund contributed capital increased by $5,000 for fixed assets donated to the Service Division.

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C. Fund Reservations and Designations
(Amounts in Thousands)

Retained Earnings, Reserved		
Internal Service Funds		
Surplus Property, Reserved for First Quarter Operations	$ 79	
Reserved for Highway Equipment Replacement	21,008	
Total Internal Service Funds		21,087
Component Units - Reserved for Housing Finance Authority Debt Service		27,605
Total Retained Earnings, Reserved		**$ 48,692**
Reserved for Specific Purposes		
Special Revenue Funds		
Reserved for Court Settlement, Transportation	34,585	
Reserved by Court Order for ADECA Energy Program	10,285	
Reserved for Donor Restrictions	33	
Total Special Revenue Funds		44,903
Nonexpendable Trust Funds - Reserved for Permanent Trust Capital		1,977,905
Higher Education Funds		4,939
Component Units		
Reserved for Permanent Trust Capital	10,240	
Higher Education Funds	1,082,340	
Total Component Units		1,092,580
Total Reserved for Specific Purposes		**$ 3,120,327**
Reserved for Employees' Pension Benefits		
Pension Trust Funds		24,491
Component Units		25,426,319
Total Reserved for Pension Benefits		**$ 25,450,810**
Unreserved, Designated Fund Balance		
Debt Service Funds - Designated for Debt Retirement		8,670
Capital Project Funds - Designated for Capital Projects		7,943
Higher Education		16,920
Component Units		
Designated for Historic Preservation	237	
Designated for Mental Health	47	
Designated for Capital Projects	526,741	
Designated for Debt Retirement	68,474	
Designated for Higher Education Purposes	154,006	
Total Component Units		749,505
Total Unreserved, Designated Fund Balance		**$ 783,038**

D. Fund Balance/Retained Earnings Deficits

The Alcoholic Beverage Control Board, an Enterprise Fund, had a deficit in retained earnings of $5,377,000 at September 30, 2000, largely due to the accrual of liabilities for compensated absences and salaries payable. The Board, by law, operates on a cash basis and is required to distribute 100% of its earnings.

The Building Renovation Finance Authority, an Internal Service Fund, had a deficit in retained earnings of $15,191,000 at September 30, 2000, causing a deficit in total fund equity of $15,169,000. The fund's major assets are buildings, which have depreciated values that are less than the long-term debt associated with them.

The Alabama Health Insurance Plan, an Enterprise Fund, had a deficit in retained earnings of $1,116,000 at September 30, 2000. The fund does not have sufficient reserves to cover the currently estimated amounts of claims payable and Insurance Claims Incurred but Not Reported.

The Revenue Administrative Special Revenue Fund had a deficit in unreserved, undesignated fund balance of $1,287,000, although the overall total fund balance is a positive $707,000. The accrual of salaries payable, which will be paid for with next year's revenues, is the major cause of this deficit.

7 INTERFUND BALANCES

Interfund Receivables/Payables

Interfund receivables/payables between funds of the primary government are reported as Due To/From Other Funds. Interfund receivables/payables between funds of component units are reported as Due To/From Component Units. Interfund receivables/payables which cross between the primary government and component units are reported as Due To/From Component Units or Due To/From Primary Government. A summary of interfund receivables and payables is presented in the following table:

(Amounts in Thousands)

	DUE FROM		DUE TO	
	Other Funds	Component Units	Other Funds	Component Units
PRIMARY GOVERNMENT				
General Fund	8,257	-	5,955	195
Special Revenue Funds				
Education Trust Fund	2,022	-	485	35
Public Road & Bridge Fund	795	-	622	-
Medicaid	3,625	4,867	574	10,147
Human Resources	5,171	213	12,161	54
Education Department Federal Programs	1,067	-	653	18
Economic and Community Affairs	-	-	2,305	-
Corrections	1,596	2	297	-
Public Health	677	-	1,403	122
Revenues Allocated Local Governments	239	-	-	-
Miscellaneous Special Revenue Funds	8,898	457	10,574	484
Total Special Revenue Funds	**24,090**	**5,539**	**29,074**	**10,860**
Debt Service Funds				
Public Health Care Authority Debt	209	-	-	-
Total Debt Service Funds	**209**	**0**	**0**	**0**
Capital Projects Funds				
Public Health Care Authority Capital	-	-	40	-
Total Capital Projects Funds	**0**	**0**	**40**	**0**
Enterprise Funds				
Alcoholic Beverage Control Board	-	-	11,768	3,333
State Parks	-	-	18	-
Prepaid Affordable College Tuition	48	-	51	-
Guaranteed Student Loan Program	-	-	7	-
Local Government Employees' Health Insurance	-	-	9	-
Alabama Health Insurance Plan	-	-	20	-
Other Enterprise Funds	-	-	57	-
Total Enterprise Funds	**48**	**0**	**11,930**	**3,333**
Internal Service Funds				
Information Services Fund	12,745	281	16	-
Telecommunications Fund	3,485	69	1,355	9
Service Division Funds	866	38	18	-
Printing & Publications	1,607	57	10	-
State Employees Health Insurance	582	-	117	8
Correctional Industries and Farms	954	-	143	-
State Surplus Property	-	-	12	-
Building Renovation Finance Authority	4,399	-	2,479	-
Public Road and Bridge Internal Service	172	-	344	3
Risk Management	445	168	675	2
Other Internal Service Funds	22	-	68	-
Total Internal Service Funds	**25,277**	**613**	**5,237**	**22**
Expendable Trust Funds				
Unemployment Compensation Trust	19	-	950	-
Abandoned Property	-	-	38	1
Flexible Employees' Benefits	-	-	54	-
Total Expendable Trust Funds	**19**	**0**	**1,042**	**1**
Nonexpendable Trust Funds				
Education Dept Endowment Trusts	-	-	24	-
Total Nonexpendable Trust Funds	**0**	**0**	**24**	**0**

(Amounts in Thousands)

	DUE FROM		DUE TO	
	Other Funds	Component Units	Other Funds	Component Units
Pension Trust Funds				
Peace Officers Annuity and Benefits	-	-	1	-
Total Pension Trust Funds	**0**	**0**	**1**	**0**
Agency Funds				
State Tax Collections	607	-	4,807	-
Taxes Collected For Local Governments	-	-	397	-
Total Agency Funds	**607**	**0**	**5,204**	**0**
Higher Education Funds				
Higher Education Fund	8,313	-	1,385	-
Current-Unrestricted Auxiliary	271	-	1,293	-
Restricted	124	-	6,913	-
Loan Funds	13	-	9	-
Endowment And Similar Funds	6	-	1	-
Plant Funds - Unexpended	661	-	11	-
Plant Funds-Renewals & Replacements	477	-	31	-
Retirement Of Indebtedness	-	-	239	-
Agency Funds	19	-	2	-
Total Higher Education Funds	**9,884**	**0**	**9,884**	**0**
TOTAL PRIMARY GOVERNMENT	**$ 68,391**	**$ 6,152**	**$ 68,391**	**$ 14,411**

	DUE FROM		DUE TO	
COMPONENT UNITS	Component Units	Primary Government	Component Units	Primary Government
Governmental Funds				
Mental Health	-	13,979	-	5,630
Historical Commission	-	-	-	21
Incentives Finance Authority	31,891	-	-	348
Twenty-first Century Authority	-	-	31,891	-
Other Governmental Funds	-	71	-	-
Total Governmental Funds	**31,891**	**14,050**	**31,891**	**5,999**
Proprietary Funds				
Water Pollution Control Authority	-	-	-	82
Supercomputer Authority	-	-	3	1
Drinking Water Finance Authority	-	-	-	13
Total Proprietary Funds	**0**	**0**	**3**	**96**
Fiduciary Funds				
Employees' Retirement System	1,563	287	-	32
Teachers' Retirement System	2	74	1,560	15
Crime Victims Compensation Commission	-	-	2	10
Total Fiduciary Funds	**1,565**	**361**	**1,562**	**57**
Higher Education				
University of Alabama	12,803	-	12,803	-
Alabama Agricultural and Mechanical University	20	-	20	-
Alabama State University	4,296	-	4,296	-
Auburn University	868	-	868	-
Jacksonville State University	84	-	84	-
University of Montevallo	153	-	153	-
University of South Alabama	865	-	865	-
Troy State University	10,470	-	10,470	-
Alabama Institute for the Deaf and Blind	20	-	20	-
Total Higher Education	**29,579**	**0**	**29,579**	**0**
TOTAL COMPONENT UNITS	**$ 63,035**	**$ 14,411**	**$ 63,035**	**$ 6,152**

8 RISK MANAGEMENT

The State manages risk through risk control and risk financing to minimize the adverse effects of certain types of losses. Risk financing includes self-insurance through several different funds. The State Insurance Fund provides coverage for state buildings and contents against fire and casualty losses. The General Liability Trust Fund insures state employees against the risk of loss from employment-related liability claims. The State Employee Injury Compensation Trust Fund was created by the 1994 legislature to provide benefits to eligible state employees for job-incurred injury. The State Insurance Fund, the General Liability Trust Fund and the State Employee Injury Compensation Trust Fund are administered by the Division of Risk Management of the Department of Finance.

There was no significant reduction in insurance coverage by the three Division of Risk Management funds from the prior year. These funds do not have acquisition costs; therefore, no cost is amortized for the period. The funds use the accrual basis of accounting for reporting purposes. During fiscal year 1998, the Finance Department implemented GASB 31 "Accounting and Financial Reporting for Certain Investments and External Investment Pools." As required by GASB 31, most investments are now recorded at fair value. Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Estimated claims liabilities are calculated by the plans' actuary based on prior claims data for the General Liability Trust Fund and State Employee Injury Compensation Trust Fund. For the State Insurance Fund, estimated claims liabilities are based on management's judgement.

The separately issued financial report of the Division of Risk Management contains additional note disclosures and supplementary information regarding claims development and liabilities.

A. The State Insurance Fund

The State Insurance Fund (SIF) was established in 1923 under *Code of Alabama 1975*, Section 41-15-1 for the purpose of insuring direct physical loss on buildings and contents in which title in whole or in part is vested in the State of Alabama or any of its agencies or institutions or in which funds provided by the State have been used for the purchase of the land, construction of the building, purchase or maintenance of any equipment, machinery, furniture, fixtures or supplies in such buildings and public school buildings together with the contents of all such buildings. All covered property shall be insured for no more than its replacement cost and shall be insured for no less than 80 percent of its actual cash value. City or county boards of education or district boards of education of independent school districts may insure school buildings and property either in the state insurance fund or with an insurance company, whichever in the opinion of such board provides the best coverage for such school buildings and property. The principles of private industry insurance companies are utilized to establish rates, premium discounts, and experience credits to result in equitable premiums charged to policyholders. Excess insurance and reinsurance is acquired to assure the solvency of the fund while providing additional coverage such as earthquake and flood insurance.

The SIF has a $7,500,000 annual deductible and a $2,500,000 deductible per occurrence on claims. Excess insurance covers claims exceeding $7,500,000 with a $750,000,000 limit. Claims for 1998 exceeded the SIF's deductible ($6,000,000 in 1998) by $943,713. The SIF has a claim pending with the excess insurance. Claims did not exceed the deductible amount in fiscal years 1999 and 2000.

The following table presents the changes in claims liabilities for the past two years:

	2000	1999
Reported claims payable & estimated claims incurred but not reported at the beginning of year	$ 6,169,691	$ 9,096,512
Incurred Claims:		
Provision for insured events of the current year	2,698,871	8,364,856
Increase (decrease) in provision for insured events of prior years	3,458,609	(1,102,914)
Total incurred claims and claim adjustment expenses	6,157,480	7,261,942
Payments:		
Claims and claim adjustment expenses attributable to insured events of the current year	2,325,861	6,352,944
Claims and claim adjustment expenses attributable to insured events of the prior year	2,994,121	3,835,819
Total Payments	5,319,982	10,188,763
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 7,007,189	$ 6,169,691

B. General Liability Trust Fund

The General Liability Trust Fund (GLTF) was established in 1984 to protect state employees from personal financial liability resulting from lawsuits that are based on alleged negligence while acting within the line and scope of state employment. Claims are investigated and defended through the Office of Attorney General. Auto liability is fully reinsured and the reinsurer, American Southern Insurance Company, handles all claims. The GLTF is managed much like a commercial insurance company, with exposure evaluated and commensurate premiums assigned to state agencies. Investment activities are an essential part of the General Liability Trust Fund financial stability to maintain lower costs employee liability coverage. Funds in excess of those needed for immediate operations will be invested to maximize return and keep premiums down.

The GLTF has a $3,300,000 deductible on claims. Claims exceeded the deductible in fiscal year 1998 by $1,311,433. Claims did not exceed this deductible in fiscal year 1999 nor fiscal year 2000.

The following table presents the changes in claims liabilities for the past two years:

	2000	1999
Reported claims payable and estimated claims incurred but not reported at the beginning of year	$ 14,161,985	$ 15,134,243
Incurred Claims:		
Provision for insured events of the current year	448,661	2,313,342
Increase (decrease) in provision for insured events of prior years	2,147,109	942,070
Total claims and claims adjustment expenses	2,595,770	3,255,412
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	447,824	2,196,683
Claims and claims adjustment expenses attributable to insured events of the prior year	2,479,860	2,030,987
Total Payments	2,927,684	4,227,670
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 13,830,071	$ 14,161,985

C. State Employee Injury Compensation Trust Fund

The State Employee Injury Compensation Trust Fund (SEICTF) was created by the 1994 legislature effective October 1, 1994. Its purpose is to provide benefits to eligible state employees for job-incurred injury. Benefits under SEICTF include all reasonable medical expenses arising from a job-incurred injury, lost wages (including benefits for time lost from the job), and benefits to dependents of employees who are fatally injured on the job. Specifically excluded from coverage are employees of the State Port Authority, educational institutions, and boards of education. A key element in assuring effective and efficient operation of SEICTF was the creation of a statewide medical provider network with a focus on professionals who are experts in treating occupational injury. Excess insurance and reinsurance is acquired to assure the solvency of the fund. Initial operation of the Fund was funded by a transitional authorization of budgeted General Liability Trust Fund and State Employees' Insurance Board.

The SEICTF has a deductible per occurrence. Claims did not exceed the deductible amounts in fiscal years 1998, 1999 and 2000.

The following table presents the changes in claims liabilities for the past two years:

	2000	1999
Reported claims payable and estimated claims incurred but not reported at the beginning of year	$ 8,275,726	$ 9,368,429
Incurred Claims:		
Provision for insured events of the current year	187,042	172,274
Increase (decrease) in provision for insured events of prior years	237,567	488,576
Total claims and claims adjustment expenses	424,609	660,850
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	262,641	208,497
Claims and claims adjustment expenses attributable to insured events of the prior year	1,336,877	1,545,056
Total Payments	1,599,518	1,753,553
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 7,100,817	$ 8,275,726

D. State Employees' Insurance Plan

The State Employees' Insurance Plan (SEIP) was established in 1965 Alabama Acts 833 to provide health insurance benefits for state employees. The SEIP is administered by the State Employees' Insurance Board (SEIB). The monthly premiums for employee and dependent coverage are determined annually and are set at a rate necessary to provide sufficient funds to pay all claims and reasonable expenses of administering the plans. The State pays a monthly premium for each employee and the employee pays any dependent premium.

The SEIB establishes claims liabilities based on estimates of the ultimate cost of claims (including future retroactive claims adjustments) that have been reported but not settled, and of estimated claims that have been incurred but not reported. Because actual claims liabilities are affected by complex changing factors such as inflation, medical technology, and changes in legal doctrines, the process used in computing claims liabilities does not result in an exact amount. Actual claims costs incurred may vary from estimated claims liabilities depending on the similarities in the nature and frequency of the claims between current and prior years.

The SEIB also administers a local government health insurance plan (LGHIP) in the same manner as the SEIP.

The following table presents the changes in claims liabilities during the past two years (Approximately 90% of claim liabilities are related to SEIP and the remainder to LGHIP):

	2000	1999
Reported claims payable and estimated claims incurred but not reported at the beginning of year	$ 22,971,960	$ 26,320,706
Restatement of reported claims and estimated claims incurred but not reported	-	(9,233,867)
Reported claims payable and estimated claims incurred but not reported - Restated	22,971,960	17,086,839
Incurred Claims:		
Provision for insured events of the current year	209,536,865	192,917,662
Increase (decrease) in provision for insured events of prior years	(1,945,496)	3,479,790
Total claims and claims adjustment expenses	207,591,369	196,397,452
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	196,018,097	173,517,091
Claims and claims adjustment expenses attributable to insured events of the prior year	16,220,926	16,995,240
Total Payments	212,239,023	190,512,331
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 18,324,306	$ 22,971,960

E. Public Education Employees' Health Insurance

The Public Education Employees' Health Insurance Fund (PEEHIF) was established in 1983 by the provisions of *Act 83-455* to provide a uniform plan of health insurance for current and retired employees of state educational institutions and to provide a method of funding the benefits related to the plan. The plan is administered by the Public Education Employees' Health Insurance Board (PEEHIB).

The State contributes a specified amount monthly to each respective participating school system. Each participating school system must then pay the employer rate to the PEEHIF each month. That rate was $317 per participant for 2000 and $225 per participant for 1999. In addition to the employer payments each month, certain premium amounts are paid by the employee. PEEHIB established claims liabilities based on the actual cost of claims reported but not settled, and estimates of claims that have been incurred but not reported. Because actual claims liabilities are affected by complex changing factors such as inflation, medical technology, and changes in legal doctrines, the process used in computing claims liabilities does not result in an exact amount. Actual claims costs ultimately incurred may vary from the estimated claims liabilities depending on the similarities in the nature and frequency of the claims between current and prior years. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The following table presents the changes in claims liabilities during the past two years:

	2000	1999
Reported claims payable and estimated claims incurred but not reported at the beginning of year	$ 54,257,056	$ 37,929,593
Incurred Claims:		
Provision for insured events of the current year	481,793,561	423,521,222
Increase (decrease) in provision for insured events of prior years	(5,023,711)	(574,664)
Total claims and claims adjustment expenses	476,769,850	422,946,558
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	428,697,525	369,264,166
Claims and claims adjustment expenses attributable to insured events of the prior year	49,233,345	37,354,929
Total Payments	477,930,870	406,619,095
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 53,096,036	$ 54,257,056

The separately issued financial report contains additional note disclosures and supplementary information regarding claims development.

F. Alabama Health Insurance Plan

The Alabama Health Insurance Plan (AHIP) was established to provide health insurance coverage to eligible individuals as an alternative to federal oversight required in the Health Insurance Portability and Accountability Act of 1996. AHIP was established in 1997 under Regulation 115 pursuant to Act 97-713 and Section 27-1-17 *Code of Alabama 1975* and is governed by a nine member Board of Directors. The plan provides major medical benefits limited to $1,000,000 for the lifetime of a participant. The plan provides that participants pay monthly premiums for health insurance coverage. Coverage is also available for eligible dependents of participants. Premiums are determined annually and are set at a rate necessary to provide sufficient funds to pay all claims and reasonable expenses of administering the plan.

Regulation No. 115 authorizes the Plan to recoup losses by assessing participating insurers based on their health insurance premiums written in the state for any year in which the Plan incurs a deficit. Assessments in excess of actual losses are to be held in interest and used by the board to offset future losses or to reduce future assessments. AHIP obtained funding from assessments totaling $4,371,160 and $3,822,453 in 2000 and 1999, respectively.

AHIP established claims liabilities based on estimates of the ultimate cost of claims (including future retroactive claims adjustments) that have been reported but not settled and of estimated claims that have been incurred but not reported. The estimation of claims costs depends on many factors including historical loss experience. Adjustments of the estimated claim liabilities based on actual results are charged or credited to expense in the periods in which such adjustments are determined.

The following table presents the changes in claims liabilities during the past two years:

	2000	1999
Reported claims payable and estimated claims incurred but not reported at the beginning of year	$ 1,799,244	$ 516,803
Incurred Claims:		
Provision for insured events of the current year	13,962,516	6,798,793
Increase (decrease) in provision for insured events of prior years	-	-
Total claims and claims adjustment expenses	13,962,516	6,798,793
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	10,983,767	4,620,185
Claims and claims adjustment expenses attributable to insured events of the prior year	1,209,272	896,167
Total Payments	12,193,039	5,516,352
Reported claims payable and estimated claims payable incurred but not reported at end of year	$ 3,568,721	$ 1,799,244

G. Alabama State Port Authority

The Alabama State Port Authority is partially self-insured with respect to workmen's compensation claims. Claims are self-insured to the extent of claims less than $300,000 with no aggregate limit with respect to the number of such claims. Additionally, any individual claims in excess of $5,000,000 are self-insured.

9 RETIREMENT PLANS

A. The Retirement Systems of Alabama

The Retirement Systems of Alabama (RSA) administers three retirement programs: The Teachers' Retirement Systems, Employees' Retirement Systems, and Judicial Retirement Fund for the benefit of state employees and public education employees.

1. Plan Descriptions

The Teachers' Retirement System of Alabama (TRS) is a cost-sharing multiple-employer defined benefit pension plan, established as of September 15, 1939 under the provisions of the 1939 *Alabama Acts* 419. The system provides retirement allowances and other specified benefits for qualified persons employed by state-supported educational institutions. The Board of Control has responsibility for the general administration and operation of the TRS.

The Employees' Retirement System of Alabama (ERS) is an agent multiple-employer defined benefit pension plan established as of October 1, 1945, under the provisions of the 1945 *Alabama Acts* 515. This system provides retirement allowances and other specified benefits for state employees, state police, and employees of cities, counties, towns, and quasi-public organizations on an elective basis. The Board of Control is responsible for the general administration and operation of the ERS.

The Judicial Retirement Fund (JRF) is a cost-sharing multiple-employer defined benefit pension plan, established under the 1973 *Alabama Acts* 1163. This system provides retirement allowances and other specified benefits for any Justice of the Supreme Court of Alabama, Judge of the Court of Civil Appeals, Judge of the Court of Criminal Appeals, Judge of the Circuit Court, or office holder of any newly created judicial office receiving compensation from the State Treasury. Act Number 1205 of the Legislature of 1975 supplemented the provisions of Act Number 1163 and enlarged the scope and coverage of the JRF to include District and Probate Judges. The Board of Control of the ERS administers and operates the JRF.

The TRS, ERS, and JRF provide retirement benefits as well as death and disability benefits as established by state law. The retirement benefit provisions are established by Title 36, Chapter 27 of Alabama State Law and must be amended by statute. Benefits for TRS and ERS members vest after 10 years of credited service. Teachers and state employees who retire after age 60 (52 for state police) with 10 years of credited service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Service retirement benefits are calculated by two methods with the member receiving payment under the method which yields the highest monthly benefit: (1) minimum guaranteed, or (2) formula. Under the formula method, members of TRS and ERS (except state police) are allowed 2.0125 percent of their final average salary (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875 percent for each year of state police service in computing the formula method. Disability retirement benefits are calculated in the same manner.

JRF benefits vest from five to eighteen years. Except for justices or judges who were either disabled, elected prior to July 30, 1979, or have at least 25 years of credited service, no justice or judge shall be eligible to receive judicial service retirement pay prior to attaining sixty years of age. Service retirement benefits for justices and judges are dependent upon the particular office held in the judicial branch of government. A retirement benefit is payable upon the request of any member who has: (1) 25 years of credited service (regardless of age), (2) completed 12 years of credited service and has attained age 65, (3) completed 15 years of credited service and whose age plus service equals or exceeds 77, (4) completed at least 18 years of credited service or three full terms as a judge or justice and has attained age 65 (5) completed 10 years of credited service and has attained age 70, (6) been elected prior to July 30, 1979 and has 18 years of service (regardless of age). A member eligible to retire who has not requested his retirement benefit to commence at the end of the term in which his seventieth birthday occurs is entitled only to the refund of his contributions (except for members with at least 25 years of credited service). The service retirement benefit for a member other than a probate judge is equal to 75 percent of the state-paid salary prescribed by law for the position from which the member retires. If a probate judge is paid on a fee basis, the service retirement benefit is equal to 90% of the benefit payable to a circuit judge on the date such judge retires. If a probate judge is paid on a salary basis, the benefit is equal to 75% of the salary upon which such judge contributes immediately prior to retirement.

A preretirement death benefit is offered in which the account is credited with TRS and ERS employer contributions and investment income on such funds. The preretirement death benefit (group term life insurance) is paid in addition to the return of member contributions upon the death of an active

TRS or ERS member who has completed at least one year of active membership in the system and whose date of death was within 180 days of such member's last date of actual service. However, a surviving spouse beneficiary may elect a survivor allowance in lieu of this benefit. The preretirement death benefit is equal to the annual earnable compensation of the member as reported to the system for the preceding year ending June 30, for TRS and September 30, for ERS.

When a member withdraws from service prior to becoming vested, the member's accumulated contributions and a portion of accumulated interest credited to the Annuity Savings account are returned to the member. The portion of accumulated interest, which by law, is not payable to the member, is transferred to the Expense fund.

RSA issues a stand-alone financial report that includes financial statements and required supplementary information (including the six-year trend) for the year ended September 30, 2000. Copies may be obtained by writing to:

The Retirement Systems of Alabama
P.O. Box 302150
135 South Union Street
Montgomery, AL 36130-2150

Title 36, Chapter 27 of the Alabama State Law established the contribution requirements and must be amended by state statute. The law provides that the Boards of Control engage an actuary to prepare an annual valuation of the assets and liabilities of the various reserve funds.

At September 30, 2000, the number of participating employers in each system was as follows:

	TRS	ERS
Cities	-	247
Counties	-	64
Other Public Entities	-	428
Universities	13	-
Post-Secondary Institutions	30	-
City & County Boards of Education	128	-
State Agencies & Other	33	1
Total	204	740

2. Summary of Significant Accounting Policies

Basis of Accounting

The TRS, ERS, and JRF financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. The financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board and are considered component units of the State of Alabama.

Investments

The Boards of Control of the Systems have the responsibility and authority to invest and reinvest available funds, through the Secretary-Treasurer and Investment Committee, in bonds, mortgage-backed securities, common and preferred stock, or other investment vehicles with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use. All plan assets are carried at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Short-term investments are reported at cost, which approximates fair value. Mortgage-back securities are reported based on future principal and interest payments discounted at the prevailing interest rate for similar instruments. The fair value of real estate investments is based on the estimate of independent appraisals.

As of September 30, 2000, the TRS and ERS owned debt and equity securities of Raycom Media Corporation which represent approximately 9 percent and 11.7 percent respectively, of the net assets held in trust for pension benefits. Also, the TRS and ERS owned debt and equity securities of Community News Corporation, which represented approximately 6 percent and 6.9 percent, respectively, of the net assets held in trust for pension benefits.

3. Contributions Required and Contributions Made

The actuary has computed, as of the date of the latest available actuarial valuation (June 30, 2000 for TRS and September 30, 1999 for the ERS and JRF), the estimated present value of benefits payable to retired members, beneficiaries and active members. The actuarial valuations are prepared using the entry age method for TRS and ERS, and projected unit credit method for JRF. The present value of all expected benefits payable from each system to the present group of members and beneficiaries is calculated by adding the present value of the expected benefits payable to the active members to the present value of the expected future payments to retired members and beneficiaries.

As required by statute, the TRS, ERS, and JRF funding policies provide for employer contributions at actuarially

determined rates (expressed as percentages of annual covered payroll) are sufficient to accumulate assets to pay benefits when due. The employer contributions required to support the benefits of each system are determined following a level funding approach and consist of a normal contribution, an accrued liability contribution, and a portion to finance administrative costs.

For the TRS and ERS, the normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made to determine the uniform and constant percentage rate of the employer contributions which, if applied to the compensation of the average new member during the entire period of the member's anticipated covered service, would be required in addition to the contributions of the member to meet the cost of all benefits payable on the member's behalf.

For the JRF, the normal contribution is determined using the "projected accrued benefit" (unit-credit) method. Under this method, the benefits of each individual included in an actuarial valuation are allocated by a consistent formula to valuation years. The actuarial gains (losses), as they occur, generally reduce (increase) the unfunded actuarial accrued liability.

The required contribution rate of active plan members for TRS and ERS (excluding state police) is 5 percent of earnable compensation. State police members of the ERS and JRF members are required to contribute 10 percent and 6 percent, respectively, of earnable compensation.

For fiscal year 2000, the required contribution rate of the employer for ERS (state employees) is 4.08 percent and the rate for TRS is 6.38 percent. The employer contribution rate for ERS state policemen and JRF is 9.45 percent and 21.19 percent, respectively.

a) TRS and JRF

A schedule of Employer Contributions for the TRS and JRF (Cost-sharing plans) is shown below:

	Fiscal Year Ended	Annual Required Contribution *	Percentage Contributed
TRS	1998	358,088	100%
	1999	166,100	100
	2000	277,180	100
JRF	1998	5,417	100
	1999	2,870	100
	2000	5,696	100

* Amounts in Thousands

b) State Employer Segment of ERS

Contributions in 2000 for agent employer ERS were made in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed at September 30, 1999.

Actuarial Methods and Assumptions for ERS:

Valuation Date: September 30, 1999
Actuarial Cost Method: Entry Age
Asset Valuation Method: 5 Yr Smoothed Market
Amortization Method: Level Percent Open
Remaining Amort Period: Within 40 yrs-varies by employer
Period Closed/Open: Open
Actuarial Assumptions:
Investment Rate of Return: 8% *
Projected Salary Increases: 4.61%-7.75% *
Cost of Living Increases: None

* Includes inflation at 4.5%

Three-Year Trend Information:

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
1998	$73,875,291	100%	0
1999	29,454,946	100	0
2000 *	43,767,831	100	0

* estimate

B. Other Pension Plans

The State Port Authority administers two single-employer pension plans, the Hourly Plan and the Terminal Railway Plan, for a small number of hourly workers and railway employees. The Peace Officers Annuity and Benefit Fund is a cost-sharing multiple-employer public employee retirement system that provides a small additional pension benefit to State and local peace officers beyond that which is paid by the Employees' Retirement System. The Clerks and Registers Supernumerary Fund is a cost-sharing multiple-employer plan that provides pension benefits to circuit clerks and registers of courts. These pension plans are not material to the State.

10 DEFERRED COMPENSATION

The State offers employees the opportunity to participate in an optional deferred compensation plan created in

accordance with Internal Revenue Service Code Section 457. The plan is available to all state employees and permits them to defer a portion of their salary until future years. Employees may withdraw the current value of their contributions upon termination, retirement, death, or an unforeseeable emergency.

It is the opinion of the State's legal counsel that the State has no liability for losses under this plan but does have the duty of due care that would be required of an ordinary prudent investor.

The Public Employees' Individual Retirement Account Fund/Deferred Compensation Plan (RSA-1) is administered and operated by the Public Employees' Individual Retirement Account Fund (PEIRAF) Board of Control. All members of the Teachers' Retirement System of Alabama, Employees' Retirement System of Alabama, Judicial Retirement Fund, and employees of employers eligible to participate in the Employees' Retirement System, are eligible to participate in this plan. At September 30, 2000, plan assets, net of warrants payable, totaled $586,876,397.

State employees may also participate in a plan administered by the Public Employees' Benefit Services Corporation (PEBSCO). This plan is also a deferred compensation plan organized under IRC Section 457. The plan contract has been modified in accordance with new legislation that requires the assets to be held in trust for the benefit of plan participants. The State has no fiduciary responsibility for the assets and therefore does not include the plan in its reporting entity.

11 POSTEMPLOYMENT HEALTH CARE BENEFITS

In addition to the pension benefits described in Note 9, the State provides postretirement health care benefits, in accordance with *Code of Alabama 1975*, Section 36-29-10, to all retired state employees through the State Employees' Health Insurance Plan (SEHIP) and, in accordance with *Code of Alabama 1975*, Section 16-25A-17, to all retired employees of State educational institutions through the Public Education Employees' Health Insurance Plan (PEEHIP). Employees covered under these two plans who retire from active service and begin receiving monthly benefits from the Employees' Retirement System of Alabama or from the Teachers' Retirement System of Alabama may elect to continue coverage under the group insurance plan by consenting to have deducted from their monthly benefit payment the difference in the total cost of their insurance coverage and the portion authorized to be expended by the SEHIP or the PEEHIP for coverage of such retired employees.

The cost of teachers' retiree health care benefits is recognized as an expenditure to PEEHIP as claims are paid. The cost of the benefits is paid from the regular appropriations made to individual education entities. Total active enrolled members were 98,246 and total retired members were 42,551 in fiscal year 2000. The retired employee allocation is funded through the active employee premium. Of the active employee premium, approximately $76,918,824 was on behalf of retired members of PEEHIP for fiscal year 2000. Retirees who are eligible for Medicare benefits must pay $1.14 per month for the Hospital/Medical coverage while those who are not eligible for Medicare must pay $72.00 per month for the coverage. Optionally, the retirees may use this insurance allocation to purchase two plans of supplemental insurance offered by PEEHIP with no out-of-pocket cost. Total premiums paid to PEEHIP by retirees for Hospital/Medical coverage was $9,181,728 for the year. The retirees must pay additional premiums to cover their dependents.

The State provides health care benefits for retired state employees through SEHIP. The cost of benefits is recognized as an expense in the month in which it is incurred. The State pays 100 percent ($110 per month) of the premium for a retiree who is over 65 and eligible for Medicare for a total cost to the State in 2000 of $11,556,710. The State pays a portion of the premium for a retiree who is under 65 at a total cost to the State in 2000 of $5,856,510. Under the SEHIP statute, the fixed amount per month per retiree is funded on a pay-as-you-go basis through the active employee premiums each agency pays for its active employees. Average enrollment in 2000 was 8,755 for retirees over 65, and 4,437 for retirees under 65. COBRA insurance is also available to state employees who terminate state service, but the employee is liable for the premiums.

12 SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The State's primary government has major enterprise funds which provide the following services: facilities for the distribution and sale of alcoholic beverages, state park and recreational facilities, operation of the Prepaid Affordable College Tuition program, service for shippers, including warehousing, loading, and bulk cargo handling, operation of a guaranteed student loan program, health insurance coverage for local government employees, and a health

insurance plan for citizens who have lost COBRA coverage. Component unit proprietary funds provide housing opportunities for those with moderate and low incomes by providing affordable financing; provide Alabama lending institutions with a secondary market for student loans; issue revolving loan bonds and lend the bond proceeds to eligible municipalities for the construction of wastewater treatment, sanitary drinking water facilities, and collection facilities; operation of the supercomputer, a historic furnace and foundry exhibit, space science exhibit, U.S.S. Alabama Battleship Park, and a music hall of fame. Segment information for the year ended September 30, 2000, was as follows:

Primary Government (In Thousands)

	Alcoholic Beverage Control Board	State Parks	Prepaid Affordable College Tuition	State Port Authority	Guaranteed Student Loan Program	Local Gov. Employees' Health Insurance	Alabama Health Insurance Plan	Other Enterprise Funds	Totals
Operating Revenues	$ 169,547	$ 24,811	$ 80,765	$ 64,601	$ 1,401	$ 32,295	$ 7,923	$ 14,636	$ 395,979
Depreciation Expense	755	2,387	5	12,631	15	-	-	270	16,063
Operating Income (Loss)	7,756	(5,276)	77,565	11,392	12	4,794	(6,180)	629	90,692
Grants, Entitlements, and Shared Revenues	1	82	-	-	9	-	-	-	92
Transfers:									
In	200	4,125	-	-	-	-	-	132	4,457
Out	(17,874)	(1,793)	-	(50)	-	(609)	-	(914)	(21,240)
Tax Revenues	7,022	10,098	-	-	-	-	4,371	-	21,491
Net Income (Loss)	(989)	7,561	77,565	1,948	21	4,185	(1,712)	(162)	88,417
Current Capital Contributions	-	19	-	117	-	-	-	-	136
Property, Plant, and Equipment									
Additions	392	3,327	3	15,059	-	-	-	91	18,872
Dispositions	(2,128)	(1,366)	(3)	(2,479)	-	-	-	(48)	(6,024)
Net Working Capital	(2,153)	24,556	30,858	13,146	3,151	12,586	(1,116)	1,266	82,294
Total Assets	36,242	54,940	650,391	374,691	3,369	23,724	2,525	7,565	1,153,447
Bonds and Long-term Liabilities									
Payable from Operating Revenue	4,706	2,485	468,468	184,687	50	-	-	1,431	661,827
Total Equity	(5,377)	50,156	179,760	173,080	3,185	19,110	(1,116)	5,818	424,616

Component Units (In Thousands)

	Housing Finance Authority	Higher Education Loan Corp.	Water Pollution Control Authority	Space Science Exhibit Comm.	Super-Computer Authority	U.S.S. Alabama Battleship Comm.	Historic Ironworks Comm.	Music Hall of Fame	Drinking Water Finance Authority	Totals
Operating Revenues	$ 100,082	$ 7,577	$ 37,581	$ 25,682	$ 690	$ 3,153	$ 1,032	$ 89	$ 2,769	$ 178,655
Depreciation Expense	70	-	214	2,953	128	129	210	143	-	3,847
Operating Income (Loss)	12,807	464	2,607	658	(4,343)	440	(505)	(502)	236	11,862
Grants, Entitlements, and Shared Revenues	-	-	21,628	-	-	-	100	-	9,340	31,068
Transfers:										
In	-	-	725	400	5,105	-	386	391	733	7,740
Out	-	-	(1,412)	-	-	-	-	-	(13)	(1,425)
Net Income (Loss)	11,840	464	25,254	(75)	762	508	32	(95)	10,416	49,106
Property, Plant, and Equipment										
Additions	37	-	74	1,194	29	350	588	112	-	2,384
Dispositions	-	-	-	-	-	-	96	-	-	96
Net Working Capital	(111,679)	34,953	65,660	(4,037)	1,331	2,452	218	32	5,093	(5,977)
Total Assets	1,359,997	92,150	779,205	49,226	2,772	6,238	3,467	1,669	81,742	2,376,466
Bonds and Long-term Liabilities										
Payable from Operating Revenue	1,101,181	78,485	581,486	20,772	112	-	66	-	67,157	1,849,259
Total Equity	114,370	11,048	173,139	19,654	2,287	6,036	3,174	1,591	12,745	344,044

13 JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS

A. Joint Ventures

The Tennessee-Tombigbee Waterway Development Authority is a joint venture created by a compact executed between the State of Alabama and the States of Mississippi, Tennessee, and Kentucky. Its purpose is to develop and promote a navigable waterway between the Tennessee and Tombigbee rivers and provide a nine foot deep navigable channel. The State of Alabama provided $114,594 and $100,681 to the Authority for fiscal year 2000 and fiscal year 1999, respectively. The fiscal year of the Tennessee-Tombigbee Waterway Development Authority ends on December 31. Key financial data for the Authority is shown below.

(Amounts in Thousands)

	2000	1999
Current Assets	$ 278	$ 271
Fixed Assets	29	29
Total Assets	307	300
Liabilities	-	-
Fund Balance	307	300
Revenues	339	322
Expenditures	332	323

Complete financial statements for the Authority can be obtained at P. O. Drawer 671, Columbus, MS 39703.

B. Jointly Governed Organizations

The Historic Chattahoochee Commission is a jointly governed organization that was created by a compact executed between the State of Alabama and the State of Georgia. The Commission had $369,460 in revenues in 2000, $168,180 of which was received from the State's General Fund. The remainder was from other revenue sources and the State of Georgia.

14 RELATED ORGANIZATIONS

The State's officials are responsible for appointing a majority of the members of the boards of other organizations, but the State's accountability for these organizations does not extend beyond making appointments. The State appoints the nine-member board of the Private Colleges and Universities Facilities Authority and a majority of the five-member Alabama Shakespeare Festival Finance Authority.

15 RELATED PARTY TRANSACTIONS

The Montgomery Downtown Redevelopment Authority, a public corporation, issued $65,200,000 of bonds in 1988 to construct the Gordon Persons state office building. These bonds were partially refunded in 1992 with a new bond issue of $66,150,000. The bonds' final maturity is on October 1, 2013. Members of the board of directors of the Authority are appointed by officials of the City of Montgomery, but the Authority is not a part of the City's reporting entity and is therefore considered a separate "stand-alone government." The bonds issued constitute conduit debt obligations of the Authority, and are therefore reported as revenue bond debt of the State. The Authority has also issued conduit debt on behalf of other governments and third parties, none of which is reported in these financial statements.

The State operates and maintains the building and has entered into an agreement with the Authority whereby the rental payments from state agencies occupying the building are paid to the Authority, which then uses the money to pay the bond principal and interest. The payments to the Authority are reported by the State as debt principal and interest expenditures.

These financial statements exclude certain foundations and other organizations affiliated with state colleges and universities. While the purpose of these foundations and associations is to operate exclusively for the benefit of the colleges and universities, the colleges and universities are not financially accountable for them; therefore, such

organizations do not constitute component units under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Reporting Entity." The most significant of these are: the University of Alabama in Huntsville Foundation, the University of Montevallo Foundation, the University of South Alabama Foundation, the National Alumni Association of the University of Alabama, the Capstone Foundation, the University of Alabama Law School Foundation, the Auburn University Foundation, and the Auburn Alumni Association. These organizations had total assets of $682,700,000 and total revenues of $179,400,000 for the 2000 fiscal year.

These financial statements also exclude the Alabama A & M Foundation, the Alabama State University Foundation, the Alabama State University Trust for Educational Excellence, the Jacksonville State University Foundation, the Jacksonville State Alumni Association, the University of Alabama Birmingham Educational Foundation (UABEF), the University of Alabama Birmingham Research Foundation (UABRF), the University of Alabama Health Services Foundation, P.C. (HSF), and the Troy State University Foundation, Inc. Financial data for these organizations was not available. However, UABEF made contributions to the University of Alabama at Birmingham of $2,400,000 during the 2000 fiscal year, and the University generated $23,500,000 in unrestricted current revenues from transactions with HSF.

The University of Alabama at Birmingham (UAB) and HSF have entered into an agreement dated October 7, 1996 which established a common management group, the UAB Health System. The purpose of this agreement is to provide common management for their existing and future health care delivery operations. UAB contributed $4,500,000 during 2000 to the UAB Health System Board.

As of September 30, 2000, UAB had invested approximately $19,700,000 in Triton Health Systems, LLC (Triton), a health maintenance organization wholly owned by UAB and UABEF. The purpose of Triton is to establish a primary care physician network in the southeastern United States and to operate a health maintenance organization. UAB's interest in Triton of approximately $3,200,000 at September 30, 2000 is recorded on the equity method.

UAB, in a transactional partnership with HSF, holds a 50% ownership in the operating assets and liabilities of the Eye Foundation, Inc. (EFI). UAB's investment in EFI is carried at original cost plus or minus equity in undistributed earnings/losses since the date of acquisition with assets totaling approximately $1,206,000 at September 30, 2000.

The University of South Alabama Health Services Foundation and the South Alabama Medical Science Foundation reimburses the University for certain administrative and other support services. Total amounts received for such services in 2000 were $13,688,000 from the Health Services Foundation and $1,956,000 from the Medical Science Foundation.

The hospitals of the University of South Alabama provide patient care services on a contractual basis to members of Prime Health, Inc., a related health maintenance organization, and its affiliates. Net hospital revenues for such services were $12,342,000 in 2000.

The Alabama Higher Education Loan Corporation and the Alabama Commission on Higher Education (ACHE) have entered into an agreement in which ACHE receives servicing fees for providing administrative and loan processing assistance to the Corporation. Total servicing fees, loan processing costs and administrative costs paid by the Corporation to ACHE were $1,110,800 and $1,064,500 for the years ended September 30, 2000 and 1999, respectively.

16 COMMITMENTS

A. Construction Projects

1. Primary Government

At September 30, 2000, the Department of Transportation had construction and maintenance contracts of $1,395,213,822. The amount already performed was $1,090,838,197, leaving an outstanding balance of $304,375,625. The funding sources for this amount are 73% Federal funds, 25% State funds, and 2% Industrial Access revenue bond funds.

The State Port Authority had commitments for capital expenditures of approximately $4,262,000 at September 30, 2000.

2. Component Units

The University of Alabama at Birmingham had construction and acquisition commitments remaining at September 30, 2000, of $77,317,000. These costs will be financed from

bond proceeds and UAB reserves of $76,278,000, federal funds of $1,000,000, and state funds of $39,000. During 2000, approximately $61,100,000 of construction was financed through proceeds of previously issued debt. In addition, certain projects in the planning and design phase that UAB expects to complete have estimated costs totaling $393,030,000.

The University of Alabama at Tuscaloosa had construction and renovation contracts remaining at September 30, 2000, of $925,051. These costs are expected to be financed from gifts, grants, bond proceeds, and University funds.

Auburn University had construction and renovation contracts for various facilities that are estimated to cost approximately $31,400,000. At September 30, 2000, the estimated remaining cost to complete the projects was approximately $8,900,000 payable from University funds.

At September 30, 2000, Jacksonville State University had commitments on construction projects which included $1,213,953 on the Martin Hall renovation, $23,100 on the Houston Cole Library renovation, $1,116,954 on the McGee Hall renovation, and $993,041 on the Ford Development Center.

B. Operating Leases

The State and its component units have entered into various lease agreements for real property. These leases do not represent material commitments by the State, therefore disclosure of minimum future lease payments is not provided.

Auburn University has entered into various operating leases for equipment. It is expected that in the normal course of business, such leases will continue to be required. Net expenditures for rentals under operating leases for the years ended September 30, 2000 and 1999, amounted to approximately $1,600,000 and $1,100,000, respectively.

C. Federal Programs

The State operates several Federal programs that have commitments for claims outstanding at September 30, 2000. These claims involve services provided to beneficiaries prior to September 30, but the claims were neither submitted to nor approved for payment by the State until after September 30. The largest of these is the Medicaid program, which had claims outstanding but not reported of $222,058,354. The amounts of the other programs are not material.

D. Other Commitments

The Alabama Housing Finance Authority, a component unit, has set aside in its unencumbered operating fund $335,000 at September 30, 2000, to be used if needed to pay debt service on several single-family mortgage revenue bond issues. The Authority has also designated $77,968,000 of its fund balance for financing future single-family mortgage revenue bond programs, to support its single-family mortgage loan origination and warehousing operations, and to cover its operating expense budget for the following fiscal year.

17 CONTINGENT LIABILITIES

A. Grants

The State receives federal grants for specific purposes that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes.

Federal grantor agencies from time to time review State records to determine whether the State has complied with the terms and conditions of grant agreements and federal regulations. Any disallowance resulting from a federal audit may become a liability of the State but cannot be reasonably estimated at this time. It is believed that any liability resulting from a determination of noncompliance will not materially affect the State's financial condition.

B. Tobacco Settlement

As a party to a successful multi-state legal settlement with the tobacco industry, the State received $131,700,000 in fiscal year 2000 and is expected to receive approximately $96,000,000 in 2001. This settlement money is intended to compensate the State for smoking related health care costs incurred by various State programs. Annual payments will continue and could total $3.2 billion over 25 years but future settlement payments are subject to adjustment for a number of factors such as inflation, the effect of other lawsuits, decreased sales volume and the financial health of the tobacco companies. Because the exact amount of the future settlement amounts is not measurable, no receivable for these amounts is recorded in these financial statements.

C. Litigation

The State is named as a party in legal proceedings that occur in the normal course of governmental operations, some involving significant amounts. It is not possible at the present time to estimate the ultimate outcome or liability, if any, of the State with respect to the various proceedings. The Attorney General has reviewed the status of pending lawsuits. An adverse decision in any of the following cases may have an effect on the State's financial position.

1. Department of Mental Health Litigation

Verna Bailey, as legal guardian and next friend of Lonnie Dale Wright, Jr. v. Kathy Sawyer, as Commissioner of Department of Mental Health and Mental Retardation, et al., Civil Action No. 99-A-1321-N, United States District Court for the Middle District of Alabama.

The plaintiff has brought this action on behalf of her son, who is deaf, and all other similarly situated deaf and hard of hearing persons in need of state provided mental health services. Plaintiff seeks to assure that public mental health services are equally accessible to and culturally and linguistically appropriate for the deaf and hard of hearing, and to ensure that the deaf and hard of hearing are not excluded from the enjoyment and use of benefits and services, are not discriminated against because of their disabilities, and to ensure that citizens who are deaf and hard of hearing and who are involuntarily committed to state mental health facilities receive adequate evaluation, diagnosis and treatment. Mediation was held February 28, 2001. Magistrate Judge McPherson is acting as the mediator. A proposed settlement agreement was submitted at mediation. The parties are in the process of revising the agreement.

Ricky Wyatt v. Stickney, sub nom., Wyatt v. Rogers, Civil Action No. 3195-N, United States District Court for the Middle District of Alabama. This case encompasses three of the State's mental illness hospitals and four mental retardation developmental centers. In 1972, the United States District Court for the Middle District of Alabama ordered the State to comply with minimum constitutional standards covering virtually every aspect of the services and care at these facilities. In 1986, after sixteen years of litigation, the parties entered into a Consent Decree to resolve all outstanding matters then in dispute. On September 22, 1986, the Court approved the Consent Decree proposed by the parties. On January 18, 1991, the defendants filed a motion asserting compliance with the 1986 Consent Decree and requesting the lawsuit be terminated. The plaintiffs filed pleadings alleging that the defendants have not complied with the 1986 Consent Decree. On December 17, 1997, the Court issued an opinion finding the facilities in compliance with 50 percent of the standards and non-compliance with the remaining standards. The Department of Mental Health has appealed the findings of non-compliance. Order dated April 21, 1998 released North Alabama Regional Hospital, Greil Memorial Psychiatric Hospital, except for census caps, and the Thomasville Mental Health Rehabilitation Center, except as to standards 1, 2, 34; paragraph 5 and 9 of the 1986 Consent Decree. Order dated December 9, 1998 released the Harper Center, Allen Facility, Kidd Facility and the Box Facility from the 1986 Consent Decree.

A settlement agreement has been executed pending approval of the Court. The settlement agreement was approved by the Court at the fairness hearing on May 1, 2000. Full implementation of the provisions of the settlement agreement began October 1, 2000.

2. Department of Human Resources Litigation

In the case styled R.C. v. Fuller, CV-88-H-1170-N, filed in the United States District Court for the Middle District of Alabama, the plaintiffs alleged that the State failed to comply with minimum constitutional standards for the care and custody of emotionally disturbed children and children with behavioral disorders. A Consent Decree requiring sweeping reform of foster care in Alabama was approved by the Court. A nine-year implementation plan went into effect October 1, 1992. In February, 1999, the Department obtained a three-year extension of the Consent Decree, referred to as "Consent Decree II", which was approved by the Court. Consent Decree II extends the time for the Department to comply with the original Consent Decree through October 1, 2002. As of this time, all 67 counties are involved in the conversion to the new child welfare system, known as the "System of Care." Twenty-five counties have successfully converted to the System of Care and forty-two counties remain to be converted.

Kids Care, Inc., Rainbow Daycare, Inc. v. State of Alabama Department of Human Resources, Bill Fuller in his official capacity as DHR Commissioner, Margaret Boniiam, in her official capacity as Director, Family Services Partnership, Frances Arnold, in her official capacity as Assistant Director, Office of Childcare, Family Services Partnership, et al., Montgomery County Circuit Court, CV-2001-814. The plaintiffs are operators of daycare centers and filed this class action complaint on behalf of all the various types of centers throughout the State of Alabama and the children and parents they serve. Plaintiffs assert that various State statutes are unconstitutional: Alabama Code Sections 38-7-3; 38-7-4; 38-7-5; 38-7-6; 38-7-8; 38-7-12; 38-7-16; 38-7-17. Plaintiffs allege they have been deprived of their procedural due

process, substantive due process and equal protection rights. Plaintiffs further allege that the Department is required by statute to reevaluate and readjust the payment to childcare provider subsidy rates on an annual basis and increase subsidies appropriately, and that the Department is currently paying reimbursement to providers according to the 1997 rates.

Plaintiff alleges they are entitled to the short-fall or deficiency in childcare subsidy monies that they did not receive for the years 1998, 1999, and in the current year which will expire September 30, 2001. Plaintiff alleges that these short-falls in payment are very substantial and seeks a judgment against the Department for all past due monies, both retrospective and prospective, injunctive relief, and an accounting of any and all Federal, State, or other subsidy monies received from any source.

3. Department of Transportation Litigation

In an action styled Johnny Reynolds, et al. v. Alabama Department of Transportation, et al., CV85-T-665-N, filed in 1985, in the United States District Court for the Middle District of Alabama, the plaintiffs have alleged that the State has engaged in illegal discriminatory practices in the hiring and promoting of employees. Besides injunctive relief, the plaintiffs sought unspecified damages in the form of back pay and other compensation from the State and punitive damages from individual defendants. In September 1988, a settlement was submitted to the District Court for a fairness hearing. The Court declined to approve the settlement agreement and the case was set for trial. The trial was cancelled when the parties entered into a settlement, approved by the Court and made effective in April 1994. Numerous issues have been raised before the Court regarding the implementation of the settlement.

Allen v. Roberts and Williams v. Alabama Department of Transportation. These are two cases involving groundwater contamination in and around the department which may affect three residential neighborhoods. The Allen case involves potentially 400 inverse condemnations, while the Williams case involves injunctive relief for enforcement of federal clean-up statutes. The Allen case has the greatest potential for a large adverse verdict, while the Williams case will involve the department expending funds to clean-up the site consistent with any injunction entered.

4. Other Employment Discrimination Litigation

A case regarding employment discrimination litigation against the State of Alabama, Eugene Crum, Jr., et al, v. State of Alabama, et al., CV 94-T-356-N, is a class action suit pending in the U. S. District Court for the Middle District of Alabama. In this case approximately twenty state departments are charged with racial discrimination in all aspects of their employment practices. This case is in the discovery stage and no estimate can be made at this time concerning any financial liability the State of Alabama may ultimately incur. A motion to disqualify plaintiffs' counsel is pending in the U.S. District Court and a petition for mandamus is pending in the Eleventh Circuit Court of Appeals. Discovery is still pending.

5. School System Litigation

In a case styled Alabama Coalition for Equity, Inc., et al. v. Fob James, Jr., et al., CV-90-883-M, filed on May 3, 1990, in the Circuit Court of Montgomery County, the plaintiffs have alleged that the State of Alabama's public school funding structure is unconstitutional under the United States Constitution and the Alabama State Constitution. The plaintiffs sought, inter alia, an injunction prohibiting the State of Alabama from implementing or maintaining any public school funding system perpetuating the current funding structure; a ruling requiring the State of Alabama to maintain a constitutional public school funding structure; and the payment of the plaintiffs' attorney fees.

On August 13, 1991, the Court granted partial summary judgment to the plaintiffs on the constitutionality of Amendment 111, Section 256 of the Alabama Constitution. The Court ruled that this provision violated the Equal Protection Clause of the Fourteenth Amendment to the United States Constitution. On December 1, 1993, the court made final its Remedy Order, which found the entire educational system of the State of Alabama to be unconstitutional. The Court held that all school children have a right to attend school in a liberal system of public schools required to be provided by the State. The Alabama Supreme Court affirmed the trial court's ruling that the system was unconstitutional. In a decision issued on January 10, 1997, the Alabama Supreme Court vacated the Remedy Order and remanded the case with directions to stay the action for the year pending action by the State Legislature. The liability order of the trial court has been upheld by the Supreme Court. The remedy phase of the case has been reopened in Montgomery Circuit Court.

Lee v. Macon is a group of cases arising from the desegregation cases filed in the 1960s. The State Board of Education was brought back into this case in 1997 and is assisting local school districts in negotiating Consent Decrees with the Justice Department, NAACP Legal Defense, and plaintiffs' attorneys. The goal is the creation of unitary school districts, in which the vestiges of segregation have

been removed entirely from all aspects of the operation of public schools. Presently, state attorneys are working on statewide issues and with locals for unitary status decrees. The cost in this suit has probably been the most expensive litigation in the history of this State since it has been pending 36 years. The estimate to local school districts and the State is incalculable at this time but is expected to be material. A statewide consent decree has been negotiated for special education and is being negotiated for facilities.

B.M.S., a Minor, v. Ed Richardson, et.al. This case is currently pending in the United States District Court for the Middle District of Alabama, and could have a substantial impact if the Court rules that prisoners are entitled to receive the same services as children in public schools. A motion was filed with Judge DeMent on behalf of the State defendants which seeks to require the application of the Prison Litigation Reform Act in an effort to limit and narrowly tailor the remedies available to the inmates who have been adjudicated as adults and are incarcerated in adult penitentiaries as well as limit the amount of damages and attorney fees to which they may be entitled. The State has agreed to implement remedies; however they will not be fully implemented by the deadline of September 15, 2001. Substantial compliance is anticipated by that date.

6. Higher Education Litigation

In Knight v. State of Alabama, CV 83-M-1675, in the United States District Court for the Northern District of Alabama, which has been pending since 1983, the Knight Plaintiffs (the class of all black citizens of the State of Alabama), the United States Justice Department, and the State's two historically black universities, Alabama State University ("ASU") and Alabama A&M University ("A&M") sought to eradicate all vestiges of the de jure segregation in State-supported higher education institutions in Alabama.

In 1991, a remedial decree was entered against the State. The funding requirements of that decree have been satisfied. A subsequent remedial decree was entered August 1, 1995. The subsequent decree was modified by an Order dated September 26, 1995. All amounts due to be paid, pursuant to any remedial decree, for fiscal years prior to 1998-99 have been paid. Substantial funds from the Education Trust Fund may be paid upon order of the Court for fiscal years 1998-2010, with the actual amounts required to be paid being dependent upon a number of different factors identified in said orders. All such funds shall be paid through annual legislative appropriations.

As of March 2000, the Court has pending before it a motion filed by the plaintiffs challenging the progress of various Universities in recruiting and retaining minority faculty. Success on this motion could result in the State's requirement to provide additional funding for minority faculty recruitment and retention.

7. State Tax Issues Litigation

South Central Bell Telephone Company v. State, Circuit Court of Montgomery County, Alabama, CV-89-2600-G. This case was consolidated with other cases involving BellSouth corporations and CSX corporations. The plaintiffs asked the Court to declare that the Department's application of *Code of Alabama 1975*, Section 40-14-40, which levies a franchise tax on domestic corporations, based on the par value of the shares of capital stock, while the franchise tax on the foreign corporations is levied pursuant to *Code of Alabama 1975*, Section 40-14-41, based on the capital employed in the State of Alabama, violates the Commerce Clause of the U.S. Constitution.

The plaintiffs contend that because "capital employed" includes surplus and undivided profits, long-term debts, related party debts and accelerated depreciation, the franchise tax is unconstitutional because the par value of stock does not include these items. The taxpayers attempted to overturn White v. Reynolds Metals Company, 558 So.2d 373 (Ala. 1989), which upheld the franchise tax on foreign corporations, by challenging the Department's use of par value as the basis for the capital stock of the domestic corporations. The potential refund exceeds $600,000,000.

The State's Motion for Summary Judgment was argued on June 3, 1994, and was under submission to the Circuit Court at the time of trial, which was held on December 14, 1994. On December 3, 1996, the trial court ruled that the plaintiffs' claims are barred under the doctrine of *res judicata*. The plaintiffs appealed to the Supreme Court, which affirmed without opinion. The U.S. Supreme Court on March 23, 1999, declared the franchise tax to be unconstitutional, and remanded the case to the Alabama Courts to determine the appropriate remedy. Briefs have been filed regarding the remedy issue.

On November 17, 1999, the Alabama Supreme Court issued an interim order holding that the unconstitutional discrimination that the Supreme Court of the United States has declared in regard to Alabama's franchise tax scheme stems not from the *Alabama Constitution of 1901*, but instead

from the domestic corporation franchise tax statute as interpreted by the Alabama Supreme Court and as applied by the Department of Revenue. Any future legislation must be consistent with Sections 229 and 232 of the *Alabama Constitution of 1901* and must use substantially equivalent tax bases for domestic and foreign corporations, and must set a tax rate for foreign corporations that is not higher than that for domestic corporations.

On January 7, 2000, the Alabama Supreme Court issued a second interim order remanding the case to the Circuit Court for the parties to present evidence concerning the extent to which the State relied on Reynolds Metals, and as to the hardship or disruption that might occur if full refunds are allowed, and any other evidence that might support policy justifications sufficient to permit a remedial limitation on retroactive application of the ruling holding the tax invalid.

In July 2000, the State agreed to pay CSX $2.8 million to settle $15 to $20 million in claims. In September 2000, the parties agreed to settle BellSouth's $142 million claim for $40 million in tax credits to be taken over 10 years. The appeal was dismissed on motion of the parties on October 10, 2000.

Gladwin Corp. v. Lyons, Circuit Court of Montgomery County, CV-96-1065-TH. This is a class action challenging the constitutionality of the franchise tax on the same grounds as South Central Bell. The Trial Court (Judge Thomas) granted the State's motion to stay the action pending a decision in South Central Bell, and placed it on the administrative docket. The case has since been assigned to Judge Greenhaw, who granted the plaintiff's motion to conditionally certify the case as a class action; allowed discovery to proceed; and ordered that all foreign franchise taxes collected be placed in escrow. The State filed a petition for an extraordinary writ in the Alabama Supreme Court in which it asked that the escrow order be vacated. The Court reversed the escrow order on October 23, 1998.

The Circuit Court on August 28, 1998, placed the case on its administrative (inactive) docket. On March 23, 1999, the plaintiff filed a motion to enjoin the State from collecting the franchise tax on foreign corporations, which was denied on June 8, 1999, in an order in which the Court also (1) conditionally denied the renewed motion for class certification, (2) granted the State's renewed motion to stay, except as to matters relating to the motion to intervene filed by clients of Bradley and Arant, and (3) reserved ruling on the motion to enjoin improper contacts with class members filed by the plaintiff. On July 1, 1999, the Alabama State Bar issued an informal opinion approving Bradley Arant's representation of the proposed intervenors and its contacts with the putative class members. By order dated September 22, 2000, Judge Greenhaw lifted the stay to allow discovery to be completed by January 24, 2001, and set a class certification hearing for January 31, 2001.

Hispan Corp. v. H.E. Monroe, etc., Circuit Court of Montgomery County, CV-97-5445-PR. This is a class action challenging the constitutionality of the franchise tax on the same grounds as South Central Bell. The complaint was served on March 28, 1997. By order dated May 6, 1997, Judge Price granted the Department's motion to stay the action pending a ruling from the Supreme Court in South Central Bell.

Boyd Brothers Transportation, etc. v. Alabama Department of Revenue, Circuit Court of Montgomery County, CV-99-1048-R. This is a class action challenging the constitutionality of the franchise tax on the same grounds as South Central Bell. The complaint was served on April 6, 1999. The State filed a motion to dismiss or stay the action pending a decision in South Central Bell, and the plaintiff responded with a motion to stay, which was granted on July 19, 1999.

Alabama Department of Revenue v. USX Corp., Circuit Court of Montgomery County, CV-99-282. The Department's Administrative Law Judge ruled that the Department calculates interest improperly on under payments by adding interest to the entire amount of an assessment, which already includes interest calculated to the date of the entry of the assessment. The Administrative Law Judge ruled that this process constitutes an unauthorized compounding of interest. The Department appealed. The financial impact is difficult to calculate, but this ruling will affect every final assessment entered by the Department. Settlement negotiations are in progress.

One Stop v. Alabama Department of Revenue, et al., Court of Civil Appeals No. 2981192. The plaintiffs argue that the fee on the distribution of motor fuels from underground storage tanks violates Amendments 93 and 354, *Constitution of Alabama 1901*, which require that all taxes or fees on motor fuels be distributed solely for roads and bridges.

The State prevailed in the Trial Court, and the taxpayers appealed to the Court of Civil Appeals. The case was orally argued March 9, 2000, and is now under submission. The State collects $10,500,000 in fees per annum.

8. Department of Youth Services Litigation

Milton Ash v. Alabama Department of Youth Services, CV97-AR-2179-S, U.S. District Court, Northern District. This case involves application of the Americans With Disabilities Act to state employees. A petition has been filed in the U.S. Supreme Court based on an adverse ruling in the Eleventh Circuit Court of Appeals.

9. State Port Authority

Alabama Wood Treater Site. In December 1976, the State Port Authority purchased a parcel of land from Illinois Central Gulf Railroad (ICG). At the time of the purchase, Alabama Wood Treating Corporation (Alabama Wood) was conducting a creosoting operation on the property. Creosoting operations have been in existence on this property since 1901. Alabama Wood purchased the creosoting operation from Reilly Tar in 1972.

In March 1985, the Environmental Protection Agency (EPA) filed a Complaint and Compliance Order under the Resource Conservation and Recovery Act (RCRA) against the State, the State Port Authority and Alabama Wood alleging that Alabama Wood had failed to comply with certain EPA requirements regarding its operations and requiring the State Port Authority to bring the property into compliance with EPA regulations since the Authority is the owner of the property. The State and the State Port Authority objected to the Complaint and Compliance Order on the grounds that the creosoting operations were installed upon the property by Alabama Wood and/or its predecessors and such installations were not the property of the State or the State Port Authority even though the EPA contended that laws and regulations were specifically to the contrary. The State and the State Port Authority further objected on the grounds that neither the State nor the Authority had ever participated in any manner whatsoever in the operations of such creosoting operations or benefited in any way from such operations.

On April 30, 1985, the State Port Authority terminated the lease agreement with Alabama Wood and demanded that Alabama Wood immediately cease any activities that would result in further contamination of the environment. Even though the Authority did not contribute to the contamination of the property, since it was the owner, it was required to comply with all applicable RCRA regulations. On December 10, 1985, the State Port Authority entered into a Consent Agreement and Final Order with the EPA agreeing to submit to the EPA a closure plan for the property and then implement the closure plan and meet all requirements of the post-closure permit application. The EPA retains jurisdiction to bring an enforcement action against the State Port Authority should the EPA find that handling, storage, treatment, transportation, or disposal of hazardous or solid waste at the facility presents an imminent and substantial endangerment to human health or the environment. The EPA also retained jurisdiction to approve and monitor the clean-up procedures and closure at the site.

In May 1985, the State and the State Port Authority filed a suit in the U.S. District Court under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) against Alabama Wood, Reilly Tar, ICG, and the principals of Alabama Wood seeking recovery of any costs which might be incurred by the Authority and/or the State with regard to the conditions on or about the property leased by Alabama Wood, including clean-up or compliance with the requirements of EPA or other regulatory agencies.

The State Port Authority (jointly with the State), ICG, and Reilly Tar entered into a Joint Technical Committee Agreement for the purpose of bringing the subject property into compliance with EPA and other regulatory requirements. During fiscal year 1990, the Joint Technical Committee conducted a study to estimate the costs to perform certain remedial actions required by regulatory authorities. The costs were to be shared equally among the three members of the Joint Technical Committee. The Joint Technical Committee would not resolve the suit referred to in the preceding paragraph. During 1997, the Authority removed itself from the Joint Technical Committee to initiate a more expedited clean-up plan, under the guidance of the Alabama Department of Environmental Management (ADEM). The Authority then contracted with an independent environmental consulting firm to conduct an updated study to estimate the costs of required remedial actions. By the Authority leaving the Joint Technical Committee, the other parties are not absolved from their liability for clean-up activities. The Authority has accrued liabilities of approximately $1,132,000 at September 30, 2000, relating to its share of the estimated costs to complete the remedial actions and other related costs. The Authority has funded all expenditures thus far and the actual liability could be much larger if all costs are paid by the Authority. Total payments made by the Authority related to these remedial actions for the years ended September 30, 2000 was approximately $151,000.

10. Alcoholic Beverage Control Board

Stiff v. ABC Board, et al., CV-97-1858-SH. The plaintiff filed this case in Montgomery County Circuit Court against the ABC Board, and others. Plaintiff contends that Alabama's Wine tax is unconstitutional because it prohibits wineries outside of Alabama from receiving the same tax break as in-state wineries. The Board's position is that the

Wine Tax law is constitutional. Another law known as the Native Farm Wine law sets a different tax for a limited group of wineries (but not by definition all wineries) in Alabama. For the present case, the State's position is that the plaintiff lacks standing to raise these issues. This case is currently under submission to the judge for a decision.

Henri-Duvall Winery, L.L.C. v. ABC Board, et al., CV-2001-703-GR has just been filed. It is similar to Stiff except that it is brought by an out-of-state winery instead of by a consumer (as in Stiff).

18 SUBSEQUENT EVENTS

On December 1, 2000, the Alabama Water Pollution Control Authority issued Series 2000 Revolving Fund Loan Bonds totaling $61,795,000. The Series 2000 bonds include $29,325,000 serial bonds which bear interest rates ranging from 4.30 percent to 5.50 percent to be paid semiannually on each February 15 and August 15, beginning February 15, 2001. Also, the Series 2000 bonds include $13,020,000 term bonds due August 15, 2018, which bear interest at 5.75 percent; $7,830,000 term bonds due August 15, 2020, which bear interest at 5.75 percent; and $11,620,000 term bonds due August 15, 2023, which bear interest at 5.50 percent.

On December 1, 2000, the Alabama Drinking Water Finance Authority issued Series 2000C Revolving Fund Loan Bonds totaling $25,895,000. The Series 2000 bonds include $12,075,000 serial bonds which bear interest rates ranging from 4.30 percent to 5.00 percent to be paid semianually on each February 15 and August 15, beginning February 15, 2001. Also, the Series 2000C bonds include $5,615,000 term bonds due August 15, 2018 which bear interest at 5.75 percent; and $8,205,000 term bonds due August 15, 2023, which bear interest at 5.375 percent.

On October 1, 2000, the State Industrial Development Authority issued Series 2000 bonds in the amount of $5,000,000. The interest rates on the bonds range from 4.65 percent to 5.00 percent and will be payable semiannually on each March 1 and September 1, beginning March 1, 2001. The maturity date of the bonds is September 30, 2010.

On February 1, 2001, the State of Alabama issued $57,700,000 General Obligation Bonds, Series 2001-A. The interest rates on the bonds range from 4.50 percent to 5.25 percent and will be payable semiannually on each December 1 and June 1, beginning December 1, 2001. The maturity date of the bonds is June 1, 2021.

On March 1, 2001, the State of Alabama issued $17,500,000 General Obligation Bonds, Series 2001-B. The interest rates on the bonds range from 4.0 percent to 5.0 percent and will be payable semiannually on each December 1 and June 1, beginning December 1, 2001. The maturity date of the bonds is June 1, 2021.

From October 1, 2000 through December 1, 2000, the Alabama Housing Finance Authority called approximately $24,731,000 of bonds prior to their scheduled maturities.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress for Employees' Retirement System

SCHEDULE OF FUNDING PROGRESS FOR ERS
(State Employees and State Policemen)
(Amounts In Thousands)

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability (AAL)	(B-A) Unfunded AAL	(A/B) Funded Ratio	(C) Covered Payroll	((B-A)/C) UAAL as a % of Covered Payroll
9/30/1996	$ 3,103,364	$ 3,282,634	$ 179,270	94.5	$946,888	18.9
9/30/1997	4,028,540	3,531,845	(496,695)	114.1	964,229	(51.5)
9/30/1998	4,255,403	4,010,976	(244,427)	106.1	979,071	(25.0)
913011999	4,456,536	4,119,270	(337,266)	108.2	998,007	(33.8)

ALABAMA
TENNESSEE
TENNESSEE RIVER
MISSISSIPPI
GEORGIA
BLACK WARRIOR RIVER
COOSA RIVER
ALLAPOOSA
CAHABA R.
RIVER
TOMBIGBEE RIVER
ALABAMA
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

FINANCIAL SECTION
Combining and Individual Fund and Account Group Financial Statements

Special Revenue Funds

Special revenue funds accountfor specific revenue sources that are restricted tofinance particularfunctions and activities of the State. The individual Special Revenue Funds of the State are combined on a functional basis according to the type of activity.

Education Trust Fund (ETF) accounts for the revenues and expenditures associated with public education.

Public Road and Bridge Fund accounts for the revenues and expenditures associated with highway construction, maintenance, and operations.

Medicaid Fund accounts for revenues and expenditures associated with the provision of nursing home care, hospital care, and physician services for those eligible for Medicaid benefits.

Human Resources Fund accounts for revenues and expenditures associated with the administration of programs to provide financial assistance, such as the Aid to Dependent Children program, and a broad range of social and protective services.

Public School Fund accounts for revenues and expenditures which are allocated to local boards of education for support of educational programs.

Education Department - Federal Programs accounts for federal monies received by the State to support educational programs for elementary and secondary education and rehabilitation and crippled children services.

Economic and Community Affairs Fund accounts for revenues and expenditures related to energy management, skills enhancement and employment opportunities, traffic control and accident prevention, and state and regional planning.

Corrections Fund accounts for revenues and expenditures associated with the administration of penal and correctional institutions and related activities in the State.

Public Health Fund accounts for resources used in the promotion of general physical health. This includes the enforcement of laws relating to public health as well as programs providing preventive and treatment services to the public.

Revenues Allocated to Local Governments accounts for revenues from gasoline taxes, motor vehicle licenses, TVA payments, and other revenue sources which are shared with local governments.

Children First Trust Fund accounts for tobacco revenues to be used for a variety of programs that benefit children.

Other Special Revenue Funds account for various resources used to provide a wide variety of services, the largest of which are:

Revenue Administrative administers the collection of almost all state taxes and licenses,

Industrial Relations administers the unemployment compensation and industrial safety and accident prevention programs.

Conservation and Natural Resources is responsible for the management of the state's game and wildlife resources as well as the management of the state parks system.

Forestry Commission is responsible for the management, protection and development of the state's forest resources.

Environmental Management protects the state's citizens from pollution of the water, land and air.

Agriculture and Industries inspects agricultural products to ensure compliance with state and federal standards.

Department of Senior Services administers federal and state programs which provide services for the elderly.

Professional and Occupational Boards provide professional and occupational licensing and regulation.

Miscellaneous Special Revenue Funds are aggregated for reporting purposes and account for various other revenues which must be used for specific purposes.

COMBINING BALANCE SHEET
Special Revenue Funds

September 30, 2000

(Amounts in Thousands)

	Education Trust Fund	Public Road and Bridge Fund	Medicaid	Human Resources	Public School Fund
ASSETS					
Cash and Cash Equivalents	$ 56,424	$ 339,219	$ 77,038	$ 75,420	$ 19,950
Investments	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Interest and Dividends Receivable	-	-	-	-	-
Due from Other Funds	2,022	795	3,625	5,171	-
Due from Component Units	-	-	4,867	213	-
Due from Other Governments	-	-	10,147	-	-
Inventory	-	-	-	-	-
Other Assets	-	36,741	-	-	-
TOTAL ASSETS	**$ 58,446**	**$ 376,755**	**$ 95,677**	**$ 80,804**	**$ 19,950**
LIABILITIES AND FUND BALANCES					
Liabilities					
Warrants Payable	$ 11,619	$ 4,974	$ 73	$ 3,195	$ -
Accounts Payable	13,431	71,711	4,400	19,710	-
Salaries Payable	3,660	5,665	823	8,901	-
Interest Payable	-	-	-	-	-
Due to Other Funds	485	622	574	12,161	-
Due to Component Units	35	-	10,147	54	-
Due to Other Governments	2,680	3,686	5	1,530	-
Deferred Revenue	-	-	-	43	-
Amounts Held Pending Distribution	-	-	-	-	-
Amounts Held in Custody for Others	6	17,382	-	1,936	-
Compensated Absences	103	3	44	460	-
Total Liabilities	**32,019**	**104,043**	**16,066**	**47,990**	**0**
Fund Balances					
Reserved for Encumbrances	1,722	20,095	305	3,205	-
Reserved for Inventory	-	-	-	-	-
Reserved for Court Settlements	-	34,585	-	-	-
Reserved for Donor Restrictions	-	-	-	-	-
Unreserved, Undesignated	24,705	218,032	79,306	29,609	19,950
Total Fund Balances	**26,427**	**272,712**	**79,611**	**32,814**	**19,950**
TOTAL LIABILITIES AND FUND BALANCES	**$ 58,446**	**$ 376,755**	**$ 95,677**	**$ 80,804**	**$ 19,950**

Education Department Federal Programs	Economic and Community Affairs	Corrections	Public Health	Revenues Allocated to Local Governments	Children First Trust	Other Special Revenue Funds	Totals
$ 19,546	$ 16,661	$ 16,037	$ 51,217	$ 31,824	$ 35,796	$ 250,079	$ 989,211
-	-	5	-	-	-	35,717	35,722
-	11	4	-	-	-	33	48
-	-	-	-	-	-	2	2
1,067	-	1,596	677	239	-	8,898	24,090
-	-	2	-	-	-	457	5,539
40,341	12,800	-	-	-	-	2,481	65,769
-	-	-	-	-	-	428	428
-	-	-	-	-	-	18	36,759
$ 60,954	**$ 29,472**	**$ 17,644**	**$ 51,894**	**$ 32,063**	**$ 35,796**	**$ 298,113**	**$ 1,157,568**
$ 5,472	$ 969	$ 1,197	$ 1,236	$ 2,174	$ 428	$ 8,082	$ 39,419
8,140	6,828	125	6,849	87	2,156	25,661	159,098
1,374	554	76	6,182	-	-	14,095	41,330
-	-	-	-	-	-	20	20
653	2,305	297	1,403	-	-	10,574	29,074
18	-	-	122	-	-	484	10,860
31,589	5,355	-	95	29,802	2,738	1,931	79,411
-	2,800	-	-	-	-	1,834	4,677
-	-	-	-	-	-	5	5
-	-	-	-	-	-	1,229	20,553
116	74	-	132	-	-	579	1,511
47,362	**18,885**	**1,695**	**16,019**	**32,063**	**5,322**	**64,494**	**385,958**
3,591	-	106	5,036	-	103	15,530	49,693
-	-	-	-	-	-	428	428
-	10,285	-	-	-	-	-	44,870
-	-	-	-	-	-	33	33
10,001	302	15,843	30,839	-	30,371	217,628	676,586
13,592	**10,587**	**15,949**	**35,875**	**0**	**30,474**	**233,619**	**771,610**
$ 60,954	**$ 29,472**	**$ 17,644**	**$ 51,894**	**$ 32,063**	**$ 35,796**	**$ 298,113**	**$ 1,157,568**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Special Revenue Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Education Trust Fund	Public Road and Bridge Fund	Medicaid	Human Resources	Public School Fund
REVENUES					
Taxes	$ 4,113,912	$ 323,796	$ 35,757	$ 91,008	$ 93,334
Licenses, Permits, and Fees	460	140,241	-	380	-
Fines, Forfeits, and Court Settlements	1	-	667	-	-
Investment Income	-	1,701	493	586	41
Federal Grants and Reimbursements	-	537,884	1,976,244	619,797	-
Other Revenues	182	16,500	667,236	70,278	631
Total Revenues	**4,114,555**	**1,020,122**	**2,680,397**	**782,049**	**94,006**
EXPENDITURES					
Current:					
Economic Development and Regulation	-	-	-	-	-
Education and Cultural Resources	2,858,149	-	-	-	68,696
Natural Resources and Recreation	8	-	-	-	-
Health - Physical and Mental	18,360	-	2,606,535	-	-
Social Services	32,924	-	-	848,512	-
Protection of Persons and Property	35,950	-	-	-	-
Transportation	-	961,557	-	-	-
General Government	3,405	-	-	-	-
Distributions to Local Governments	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service - Principal Retirement	6,781	14,848	-	2,425	-
Debt Service - Interest and Other Charges	2,759	7,888	-	1,791	-
Total Expenditures	**2,958,336**	**984,293**	**2,606,535**	**852,728**	**68,696**
Revenues Over (Under) Expenditures	**1,156,219**	**35,829**	**73,862**	**(70,679)**	**25,310**
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	29,173	273	-	68,381	533
Operating Transfers from Component Units	30	-	-	-	-
Operating Transfers Out	(274,593)	(13,208)	(82)	(10,352)	-
Operating Transfers to Component Units	(870,753)	-	-	(422)	(19,708)
Total Other Financing Sources (Uses)	**(1,116,143)**	**(12,935)**	**(82)**	**57,607**	**(19,175)**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**40,076**	**22,894**	**73,780**	**(13,072)**	**6,135**
Fund Balances, October 1, 1999	(13,649)	248,802	5,830	45,886	13,815
Restatements	-	1,016	1	-	-
Increase (Decrease) in Reserve for Inventory	-	-	-	-	-
Fund Balances, September 30, 2000	**$ 26,427**	**$ 272,712**	**$ 79,611**	**$ 32,814**	**$ 19,950**

Education Department Federal Programs	Economic and Community Affairs	Corrections	Public Health	Revenues Allocated to Local Governments	Children First Trust	Other Special Revenue Funds	Totals
$ 2,608	$ -	$ -	$ 1,557	$ 275,033	$ -	$ 120,246	$ 5,057,251
1,411	9	3,028	25,080	30,335	-	145,090	346,034
-	1,409	1,082	4	11	-	10,747	13,921
-	10	10	52	-	-	6,109	9,002
508,623	149,425	902	159,743	774	-	270,956	4,224,348
7,377	716	25,618	89,190	6	-	71,887	949,621
520,019	**151,569**	**30,640**	**275,626**	**306,159**	**0**	**625,035**	**10,600,177**
-	-	-	-	-	-	50,550	50,550
489,048	-	-	-	-	3,016	54,724	3,473,633
-	-	-	-	-	-	43,842	43,850
-	-	-	283,027	-	5,868	47,922	2,961,712
27,750	40,244	-	-	-	7,933	167,593	1,124,956
-	29,328	24,365	-	-	415	152,098	242,156
-	-	-	-	-	-	867	962,424
-	84,134	-	-	-	919	129,952	218,410
-	-	-	-	306,159	-	16,819	322,978
-	-	-	-	-	-	4,951	4,951
-	-	-	489	-	-	3,009	27,552
-	-	11	55	-	-	238	12,742
516,798	**153,706**	**24,376**	**283,571**	**306,159**	**18,151**	**672,565**	**9,445,914**
3,221	**(2,137)**	**6,264**	**(7,945)**	**0**	**(18,151)**	**(47,530)**	**1,154,263**
2,711	6,397	820	9,030	-	-	103,782	221,100
-	-	-	-	-	48,710	1,995	50,735
-	(3,257)	(6,614)	(633)	-	(85)	(27,363)	(336,187)
-	-	-	-	-	-	(113)	(890,996)
2,711	**3,140**	**(5,794)**	**8,397**	**0**	**48,625**	**78,301**	**(955,348)**
5,932	**1,003**	**470**	**452**	**0**	**30,474**	**30,771**	**198,915**
7,660	9,580	15,479	35,423	-	-	198,025	566,851
-	4	-	-	-	-	5,269	6,290
-	-	-	-	-	-	(446)	(446)
$ 13,592	**$ 10,587**	**$ 15,949**	**$ 35,875**	**$ 0**	**$ 30,474**	**$ 233,619**	**$ 771,610**

COMBINING BALANCE SHEET
Other Special Revenue Funds

September 30, 2000

(Amounts in Thousands)

	Revenue Administrative Fund	Industrial Relations	Conservation and Natural Resources	Forestry Commission	Environmental Management
ASSETS					
Cash and Cash Equivalents	$ 9,578	$ 13,405	$ 27,018	$ 8,051	$ 8,381
Investments	-	-	12	-	17,694
Accounts Receivable	-	-	-	-	-
Interest and Dividends Receivable	-	-	-	-	-
Due from Other Funds	-	2,053	-	-	1,021
Due from Component Units	-	-	-	-	95
Due from Other Governments	-	-	-	-	-
Inventory	26	-	-	34	-
Other Assets	-	-	-	-	-
TOTAL ASSETS	**$ 9,604**	**$ 15,458**	**$ 27,030**	**$ 8,085**	**$ 27,191**
LIABILITIES AND FUND BALANCES					
Liabilities					
Warrants Payable	$ 245	$ 306	$ 553	$ 361	$ 1,405
Accounts Payable	1,593	963	940	761	2,183
Salaries Payable	3,170	3,010	1,359	885	1,369
Interest Payable	-	-	-	-	-
Due to Other Funds	3,599	548	147	57	1,010
Due to Component Units	-	-	-	-	-
Due to Other Governments	8	26	123	9	288
Deferred Revenue	-	514	444	187	-
Amounts Held Pending Distribution	-	-	-	-	-
Amounts Held in Custody for Others	76	-	116	204	-
Compensated Absences	206	176	99	4	21
Total Liabilities	**8,897**	**5,543**	**3,781**	**2,468**	**6,276**
Fund Balances					
Reserved for Encumbrances	1,968	431	1,569	1,504	2,736
Reserved for Inventory	26	-	-	34	-
Reserved for Donor Restrictions	-	-	-	-	-
Unreserved, Undesignated	(1,287)	9,484	21,680	4,079	18,179
Total Fund Balances	**707**	**9,915**	**23,249**	**5,617**	**20,915**
TOTAL LIABILITIES AND FUND BALANCES	**$ 9,604**	**$ 15,458**	**$ 27,030**	**$ 8,085**	**$ 27,191**

Agriculture and Industries	Senior Services	Professional and Occupational Boards	Miscellaneous Special Revenue Funds	Totals
$ 6,129	$ 385	$ 23,507	$ 153,625	$ 250,079
-	-	4,915	13,096	35,717
-	-	2	31	33
-	-	-	2	2
-	10	-	5,814	8,898
-	348	-	14	457
-	1,089	-	1,392	2,481
-	-	16	352	428
-	-	-	18	18
$ 6,129	**$ 1,832**	**$ 28,440**	**$ 174,344**	**$ 298,113**
$ 76	$ 8	$ 529	$ 4,599	$ 8,082
518	523	521	17,659	25,661
272	44	422	3,564	14,095
-	-	20	-	20
30	25	653	4,505	10,574
-	-	-	484	484
14	748	2	713	1,931
111	12	507	59	1,834
-	-	-	5	5
-	-	688	145	1,229
-	-	-	73	579
1,021	**1,360**	**3,342**	**31,806**	**64,494**
927	-	207	6,188	15,530
-	-	16	352	428
-	-	-	33	33
4,181	472	24,875	135,965	217,628
5,108	**472**	**25,098**	**142,538**	**233,619**
$ 6,129	**$ 1,832**	**$ 28,440**	**$ 174,344**	**$ 298,113**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Other Special Revenue Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Revenue Administrative Fund	Industrial Relations	Conservation and Natural Resources	Forestry Commission	Environmental Management
REVENUES					
Taxes	$ 75,259	$ 3,121	$ 2,057	$ 7,452	$ 111
Licenses, Permits, and Fees	1,018	6	17,857	322	20,926
Fines, Forfeits, and Court Settlements	4	175	866	22	843
Investment Income	-	486	855	-	525
Federal Grants and Reimbursements	-	50,079	10,943	2,937	15,362
Other Revenues	2,365	4,888	4,794	5,000	663
Total Revenues	**78,646**	**58,755**	**37,372**	**15,733**	**38,430**
EXPENDITURES					
Current:					
Economic Development and Regulation	-	-	-	27,336	-
Education and Cultural Resources	-	-	-	-	-
Natural Resources and Recreation	-	-	35,096	-	-
Health - Physical and Mental	-	-	-	-	46,945
Social Services	-	59,837	-	-	-
Protection of Persons and Property	-	8,181	-	-	-
Transportation	-	-	-	-	-
General Government	77,519	-	-	-	-
Distributions to Local Governments	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service - Principal Retirement	36	-	-	26	19
Debt Service - Interest and Other Charges	5	53	-	5	-
Total Expenditures	**77,560**	**68,071**	**35,096**	**27,367**	**46,964**
Revenues Over (Under) Expenditures	**1,086**	**(9,316)**	**2,276**	**(11,634)**	**(8,534)**
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	5,416	8,146	4,720	13,699	5,660
Operating Transfers from Component Units	-	-	-	-	692
Operating Transfers Out	(2,580)	(256)	(2,890)	(58)	(947)
Operating Transfers to Component Units	-	-	-	-	-
Total Other Financing Sources (Uses)	**2,836**	**7,890**	**1,830**	**13,641**	**5,405**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**3,922**	**(1,426)**	**4,106**	**2,007**	**(3,129)**
Fund Balances, October 1, 1999	(3,057)	11,671	19,153	3,610	24,044
Restatements	-	(330)	(10)	-	-
Increase (Decrease) in Reserve for Inventory	(158)	-	-	-	-
Fund Balances, September 30, 2000	**$ 707**	**$ 9,915**	**$ 23,249**	**$ 5,617**	**$ 20,915**

Agriculture and Industries	Senior Services	Professional and Occupational Boards	Miscellaneous Special Revenue Funds	Totals
$ -	$ -	$ -	$ 32,246	$ 120,246
8,781	-	22,855	73,325	145,090
88	-	2,107	6,642	10,747
73	-	565	3,605	6,109
1,940	17,914	332	171,449	270,956
330	8,959	1,767	43,121	71,887
11,212	**26,873**	**27,626**	**330,388**	**625,035**
398	-	1,716	21,100	50,550
-	-	986	53,738	54,724
-	-	-	8,746	43,842
-	-	-	977	47,922
-	26,533	-	81,223	167,593
8,879	-	22,091	112,947	152,098
-	-	4	863	867
-	-	53	52,380	129,952
-	-	-	16,819	16,819
-	-	-	4,951	4,951
52	-	-	2,876	3,009
9	-	-	166	238
9,338	**26,533**	**24,850**	**356,786**	**672,565**
1,874	**340**	**2,776**	**(26,398)**	**(47,530)**
-	-	794	65,347	103,782
-	-	-	1,303	1,995
(53)	-	(897)	(19,682)	(27,363)
-	-	-	(113)	(113)
(53)	**0**	**(103)**	**46,855**	**78,301**
1,821	**340**	**2,673**	**20,457**	**30,771**
3,287	132	22,441	116,744	198,025
-	-	-	5,609	5,269
-	-	(16)	(272)	(446)
$ 5,108	**$ 472**	**$ 25,098**	**$ 142,538**	**$ 233,619**

ALABAMA
TENNESSEE
TENNESSEE RIVER
MISSISSIPPI
GEORGIA
BLACK WARRIOR RIVER
COOSA RIVER
TALLAPOOSA RIVER
CAHABA R.
TOMBIGBEE RIVER
ALABAMA
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

Debt Service Funds

Debt *Service Funds account for the accumulation of resources which are used for the payment of general long-term debt principal and interest.*

Industrial Access Road and Bridge Authority accounts for the accumulation of resources used to pay the interest and principal on debt issued by the Industrial Access Road and Bridge Authority. All debt issued by the authority is used to finance the construction of roads and bridges.

Corrections Institution Finance Authority accounts for the accumulation of resources used to pay the interest and principal on debt issued by the Authority for the purpose of financing the construction and renovation of State prisons.

Judicial Building Authority accounts for the accumulation of resources used to pay the interest and principal or debt issued by the Authority for the purpose of financing the construction of facilities used by the unified judicial system.

Public Health Care Authority accounts for the accumulation of resources used to pay the interest and principal on debt issued by the Authority for the purpose of financing the construction of public health facilities.

General Obligation Bonds account for the accumulation of resources used to pay the interest and principal on general obligation bonds.

COMBINING BALANCE SHEET
Debt Service Funds
September 30, 2000
(Amounts in Thousands)

	Industrial Access Road and Bridge Authority	Corrections Institution Finance Authority	Judicial Building Authority	Public Health Care Authority	General Obligation Bonds
ASSETS					
Cash and Cash Equivalents	$ 6	$ 1,092	$ 3,530	$ 292	$ -
Investments	1,018	33	-	2,407	-
Interest and Dividends Receivable	-	-	-	83	-
Due from Other Funds	-	-	-	209	-
TOTAL ASSETS	**$ 1,024**	**$ 1,125**	**$ 3,530**	**$ 2,991**	**$ 0**
LIABILITIES AND FUND BALANCES					
Liabilities					
Total Liabilities	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Fund Balances					
Unreserved, Designated for Debt Retirement	1,024	1,125	3,530	2,991	-
Total Fund Balances	**1,024**	**1,125**	**3,530**	**2,991**	**0**
TOTAL LIABILITIES AND FUND BALANCES	**$ 1,024**	**$ 1,125**	**$ 3,530**	**$ 2,991**	**$ 0**

Totals	
$	4,920
	3,458
	83
	209
$	**8,670**
$	**0**
	8,670
	8,670
$	**8,670**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Debt Service Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Industrial Access Road and Bridge Authority	Corrections Institution Finance Authority	Judicial Building Authority	Public Health Care Authority	General Obligation Bonds
REVENUES					
Investment Income	$ -	$ 12	$ 139	$ 202	$ -
Other Revenues	-	-	3,972	2,525	-
Total Revenues	**0**	**12**	**4,111**	**2,727**	**0**
EXPENDITURES					
Debt Service - Principal Retirement	3,510	4,335	218	495	-
Debt Service - Interest and Other Charges	894	2,378	3,754	1,945	483
Total Expenditures	**4,404**	**6,713**	**3,972**	**2,440**	**483**
Revenues Over (Under) Expenditures	**(4,404)**	**(6,701)**	**139**	**287**	**(483)**
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	4,404	6,614	-	238	-
Total Other Financing Sources (Uses)	**4,404**	**6,614**	**0**	**238**	**0**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**0**	**(87)**	**139**	**525**	**(483)**
Fund Balances, October 1, 1999	1,024	1,212	3,391	2,466	483
Fund Balances, September 30, 2000	**$ 1,024**	**$ 1,125**	**$ 3,530**	**$ 2,991**	**$ 0**

Totals
$ 353
6,497
6,850
8,558
9,454
18,012
(11,162)
11,256
11,256
94
8,576
$ 8,670

ALABAMA
TENNESSEE
TENNESSEE RIVER
MISSISSIPPI
GEORGIA
BLACK WARRIOR RIVER
COOSA RIVER
TALLAPOOSA RIVER
CAHABA R.
TOMBIGBEE RIVER
ALABAMA
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

Capital Projects Funds

Capital Projects Funds account for the acquisition, construction, and improvement of governmental general fixed assets.

Industrial Access Road and Bridge Authority accounts for the proceeds of debt issued by the Industrial Access Road and Bridge Authority. The proceeds are used to finance the construction of roads and bridges.

Corrections Institution Finance Authority accounts for the proceeds of debt issued by the Authority for the purpose of financing the construction and renovation of State prisons.

Judicial Building Authority accounts for the proceeds of debt issued by the Authority for the purpose of financing the construction of facilities for the unified judicial system.

Public Health Care Authority accounts for the proceeds of debt issued by the Authority for the purpose of financing the construction of public health facilities.

Other Capital Project Funds accounts for the proceeds of all other debt issued by the State, consisting primarily of general obligation bonds.

COMBINING BALANCE SHEET
Capital Projects Funds

September 30, 2000

(Amounts in Thousands)

	Industrial Access Road and Bridge Authority	Corrections Institution Finance Authority	Judicial Building Authority	Public Health Care Authority	Other Capital Project Funds
ASSETS					
Cash and Cash Equivalents	$ 5,022	$ 4	$ 2	$ 189	$ 2,915
TOTAL ASSETS	**$ 5,022**	**$ 4**	**$ 2**	**$ 189**	**$ 2,915**
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	$ -	$ -	$ -	$ 41	$ -
Due to Other Funds	-	-	-	40	-
Amounts Held in Custody for Others	-	-	-	108	-
Total Liabilities	**0**	**0**	**0**	**189**	**0**
Fund Balances					
Unreserved, Designated for Capital Projects	5,022	4	2	-	2,915
Total Fund Balances	**5,022**	**4**	**2**	**0**	**2,915**
TOTAL LIABILITIES AND FUND BALANCES	**$ 5,022**	**$ 4**	**$ 2**	**$ 189**	**$ 2,915**

Totals
$ 8,132
$ 8,132

$ 41
40
108
189
7,943
7,943
$ 8,132

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Capital Projects Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Industrial Access Road and Bridge Authority	Corrections Institution Finance Authority	Judicial Building Authority	Public Health Care Authority	Other Capital Project Funds
REVENUES					
Investment Income	$ 242	$ 4	$ -	$ -	$ 143
Total Revenues	**242**	**4**	**0**	**0**	**143**
EXPENDITURES					
Capital Outlay	-	96	5	1,491	476
Total Expenditures	**0**	**96**	**5**	**1,491**	**476**
Revenues Over (Under) Expenditures	**242**	**(92)**	**(5)**	**(1,491)**	**(333)**
OTHER FINANCING SOURCES (USES)					
Operating Transfers Out	(148)	-	-	(610)	-
Total Other Financing Sources (Uses)	**(148)**	**0**	**0**	**(610)**	**0**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**94**	**(92)**	**(5)**	**(2,101)**	**(333)**
Fund Balances, October 1, 1999	4,928	96	7	2,101	3,248
Fund Balances, September 30, 2000	**$ 5,022**	**$ 4**	**$ 2**	**$ 0**	**$ 2,915**

Totals
$ 389
389
2,068
2,068
(1,679)
(758)
(758)
(2,437)
10,380
$ 7,943

ALABAMA
TENNESSEE
TENNESSEE RIVER
RIVER
RIVER
MISSISSIPPI
BLACK WARRIOR
COOSA
GEORGIA
TALLAPOOSA
CAHABA R.
RIVER
RIVER
ALABAMA
TOMBIGBEE
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

Enterprise Funds

Enterprise Funds are used to account for the operations of State agencies that provide goods and services to the public in a manner similar to private business enterprises. The cost of providing the goods or services are recovered primarily through user charges.

Alcoholic Beverage Control Board operates facilities for the distribution and sale of alcoholic beverages.

State Parks operates state park and recreational facilities.

Prepaid Affordable College Tuition Fund provides for the operation of the Prepaid Affordable College Tuition program (PACT).

State Port Authority provides service for shippers including warehousing, loading, and bulk cargo handling.

Guaranteed Student Loan Program provides for the administration and coordination of the Alabama Guaranteed Student Loan Program.

Local Government Employees' Health Insurance is a public entity risk pool providing health insurance coverage for the employees of local governments.

Alabama Health Insurance Plan provides health insurance coverage for citizens who have lost their group health insurance.

Other Enterprise Funds are aggregated for reporting purposes to account for other small enterprise funds operated by the State, including the Motor Sports Hall of Fame and the canteen funds of the National Guard and Department of Corrections.

COMBINING BALANCE SHEET
Enterprise Funds

September 30, 2000
(Amounts in Thousands)

	Alcoholic Beverage Control Board	State Parks	Prepaid Affordable College Tuition	State Port Authority	Guaranteed Student Loan Program
ASSETS					
Current Assets					
Cash and Cash Equivalents	$ 19,858	$ 26,141	$ 29,122	$ 13,351	$ 3,110
Investments, Short-term	-	-	-	3,674	-
Accounts Receivable	1,169	257	336	9,347	175
Interest and Dividends Receivable	-	-	3,515	57	-
Due from Other Funds	-	-	48	-	-
Due from Other Governments	-	-	-	-	-
Inventory	13,733	457	-	2,715	-
Other Current Assets	-	-	-	926	-
Total Current Assets	**34,760**	**26,855**	**33,021**	**30,070**	**3,285**
Noncurrent Assets					
Investments, Long-term	-	-	581,630	-	-
Other Noncurrent Assets	-	-	35,730	7,099	-
Restricted Assets	-	-	-	20,481	-
Fixed Assets (Net of Accumulated Depreciation)	1,482	28,085	10	317,041	84
Total Noncurrent Assets	**1,482**	**28,085**	**617,370**	**344,621**	**84**
TOTAL ASSETS	**$ 36,242**	**$ 54,940**	**$ 650,391**	**$ 374,691**	**$ 3,369**
LIABILITIES AND FUND EQUITY					
Liabilities					
Warrants Payable	$ 226	$ 194	$ 271	$ -	$ 2
Accounts Payable	18,874	713	1,809	4,466	93
Salaries Payable	1,471	919	23	518	31
Due to Other Funds	11,768	18	51	-	7
Due to Component Units	3,333	-	-	-	-
Due to Other Governments	1,177	115	-	-	-
Deferred Revenue	-	103	-	-	-
Funds Held in Escrow	2	-	-	-	-
Compensated Absences	62	23	9	2,673	1
Insurance Claims Incurred But Not Reported	-	-	-	-	-
Notes Payable	-	-	-	-	-
Revenue Bonds Payable	-	-	-	4,510	-
Capital Leases	-	214	-	798	-
Other Current Liabilities	-	-	-	3,959	-
Total Current Liabilities	**36,913**	**2,299**	**2,163**	**16,924**	**134**
Long-term Liabilities					
Deferred Revenue, Noncurrent	-	-	-	6,945	-
Compensated Absences	4,706	2,250	42	-	50
Notes Payable	-	-	-	-	-
Revenue Bonds Payable	-	-	-	176,462	-
Capital Leases Payable	-	235	-	1,280	-
Other Long-term Liabilities	-	-	468,426	-	-
Total Long-term Liabilities	**4,706**	**2,485**	**468,468**	**184,687**	**50**
Total Liabilities	**41,619**	**4,784**	**470,631**	**201,611**	**184**
Fund Equity					
Contributed Capital - State	-	148	-	76,883	-
Contributed Capital - Federal	-	-	-	23,655	-
Retained Earnings, Unreserved	(5,377)	50,008	179,760	72,542	3,185
Total Fund Equity	**(5,377)**	**50,156**	**179,760**	**173,080**	**3,185**
TOTAL LIABILITIES AND FUND EQUITY	**$ 36,242**	**$ 54,940**	**$ 650,391**	**$ 374,691**	**$ 3,369**

Local Government Employees' Health Insurance	Alabama Health Insurance Plan	Other Enterprise Funds	Totals
$ 3,116	$ 2,421	$ 1,038	$ 98,157
13,779	-	-	17,453
-	104	8	11,396
83	-	-	3,655
-	-	-	48
83	-	-	83
-	-	536	17,441
139	-	-	1,065
17,200	**2,525**	**1,582**	**149,298**
6,524	-	-	588,154
-	-	-	42,829
-	-	-	20,481
-	-	5,983	352,685
6,524	**0**	**5,983**	**1,004,149**
$ 23,724	**$ 2,525**	**$ 7,565**	**$ 1,153,447**
$ -	$ -	$ -	$ 693
271	11	238	26,475
-	-	7	2,969
9	20	57	11,930
-	-	-	3,333
-	-	4	1,296
1,522	41	-	1,666
-	-	-	2
-	-	-	2,768
2,812	2,295	-	5,107
-	-	10	10
-	-	-	4,510
-	-	-	1,012
-	1,274	-	5,233
4,614	**3,641**	**316**	**67,004**
-	-	-	6,945
-	-	-	7,048
-	-	1,431	1,431
-	-	-	176,462
-	-	-	1,515
-	-	-	468,426
0	**0**	**1,431**	**661,827**
4,614	**3,641**	**1,747**	**728,831**
-	-	-	77,031
-	-	-	23,655
19,110	(1,116)	5,818	323,930
19,110	**(1,116)**	**5,818**	**424,616**
$ 23,724	**$ 2,525**	**$ 7,565**	**$ 1,153,447**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
Enterprise Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Alcoholic Beverage Control Board	State Parks	Prepaid Affordable College Tuition	State Port Authority	Guaranteed Student Loan Program
OPERATING REVENUES					
Charges for Goods and Services	$ 169,545	$ 24,786	$ 850	$ 64,601	$ 1,334
Investment Income	2	-	77,596	-	67
Insurance Premiums	-	-	-	-	-
Rents and Leases	-	5	-	-	-
Sale of Land, Timber, and Minerals	-	20	-	-	-
Tuition Benefits Revenue	-	-	2,319	-	-
Total Operating Revenues	**169,547**	**24,811**	**80,765**	**64,601**	**1,401**
OPERATING EXPENSES					
Salaries, Wages, and Benefits	25,906	16,474	390	-	780
Utilities and Communications	1,486	3,493	22	-	84
Professional Services	1,626	953	2,582	-	317
Supplies, Materials, and Operating Expenses	125,924	4,452	142	-	20
Depreciation	755	2,387	5	12,631	15
Insurance Claims	-	-	-	-	-
Operations and Maintenance	-	-	-	31,960	-
General and Administrative	-	-	-	8,618	-
Other	6,094	2,328	59	-	173
Total Operating Expenses	**161,791**	**30,087**	**3,200**	**53,209**	**1,389**
Operating Income (Loss)	**7,756**	**(5,276)**	**77,565**	**11,392**	**12**
NONOPERATING REVENUES (EXPENSES)					
Taxes	7,022	10,098	-	-	-
Investment Income	-	-	-	2,331	-
Other Nonoperating Revenues	1,907	440	-	-	9
Interest Expense	-	(33)	-	(10,810)	-
Other Nonoperating Expenses	-	-	-	(915)	-
Total Nonoperating Revenues (Expenses)	**8,929**	**10,505**	**0**	**(9,394)**	**9**
Income (Loss) Before Operating Transfers	**16,685**	**5,229**	**77,565**	**1,998**	**21**
TRANSFERS					
Operating Transfers In	200	4,125	-	-	-
Operating Transfers Out	(17,874)	(1,793)	-	(50)	-
Total Transfers	**(17,674)**	**2,332**	**0**	**(50)**	**0**
Net Income (Loss)	**(989)**	**7,561**	**77,565**	**1,948**	**21**
Fund Equity, October 1, 1999	(4,388)	42,628	102,195	171,015	3,164
Restatements	-	(52)	-	-	-
Increase (Decrease) in Contributed Capital	-	19	-	117	-
Fund Equity, September 30, 2000	**$ (5,377)**	**$ 50,156**	**$ 179,760**	**$ 173,080**	**$ 3,185**

Local Government Employees' Health Insurance	Alabama Health Insurance Plan	Other Enterprise Funds	Totals
$ -	$ -	$ 14,360	$ 275,476
1,183	-	-	78,848
31,112	7,923	-	39,035
-	-	276	281
-	-	-	20
-	-	-	2,319
32,295	**7,923**	**14,636**	**395,979**
-	-	473	44,023
-	-	97	5,182
-	19	192	5,689
-	122	10,461	141,121
-	-	270	16,063
27,501	13,962	-	41,463
-	-	-	31,960
-	-	-	8,618
-	-	2,514	11,168
27,501	**14,103**	**14,007**	**305,287**
4,794	**(6,180)**	**629**	**90,692**
-	4,371	-	21,491
-	97	17	2,445
-	-	112	2,468
-	-	(111)	(10,954)
-	-	(27)	(942)
0	**4,468**	**(9)**	**14,508**
4,794	**(1,712)**	**620**	**105,200**
-	-	132	4,457
(609)	-	(914)	(21,240)
(609)	**0**	**(782)**	**(16,783)**
4,185	**(1,712)**	**(162)**	**88,417**
14,612	-	5,980	335,206
313	596	-	857
-	-	-	136
$ 19,110	**$ (1,116)**	**$ 5,818**	**$ 424,616**

COMBINING STATEMENT OF CASH FLOWS
Enterprise Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Alcoholic Beverage Control Board	State Parks	Prepaid Affordable College Tuition	State Port Authority	Guaranteed Student Loan Program
Cash Flows From Operating Activities					
Operating Income (Loss)	$ 7,756	$ (5,276)	$ 77,565	$ 11,392	$ 12
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Investment Income	(2)	-	(77,596)	-	(67)
Taxes	7,022	10,098	-	-	-
Other Nonoperating Revenues	1,994	398	-	345	9
Depreciation	755	2,387	5	12,631	15
(Increase) Decrease in Assets:					
Accounts Receivable	(226)	9	(173)	1,052	(45)
Due From Other Funds	2	7	7	-	-
Due From Other Governments	-	-	-	-	-
Inventory	2,971	4	-	876	-
Other Assets	-	-	25,131	(647)	-
Increase (Decrease) in Liabilities:					
Accounts Payable	(1,690)	(27)	86	(3,995)	(22)
Due to Other Funds	2,503	(1)	(9)	-	(3)
Due To Component Units	306	(2)	-	-	-
Due to Other Governments	320	2	-	-	-
Deferred Revenues	-	(19)	-	(378)	-
Salaries Payable	161	108	3	9	(17)
Compensated Absences	(7)	73	9	11	(38)
Insurance Claims Incurred But Not Reported	-	-	-	-	-
Other Liabilities	-	-	(20,326)	(1,410)	-
Amounts Held In Custody for Others	1	-	-	-	-
Net Cash Provided by (Used In) Operating Activities	**21,866**	**7,761**	**4,702**	**19,886**	**(156)**
Cash Flows From Noncapital Financing Activities:					
Operating Transfers In	200	4,125	-	6,116	-
Operating Transfers Out	(17,874)	(1,793)	-	(50)	-
Net Cash Provided By (Used In) Noncapital Financing Activities	**(17,674)**	**2,332**	**0**	**6,066**	**0**
Cash Flows From Capital and Related Financing Activities:					
Principal Payments on Revenue Bonds and Other Debt	-	(232)	-	(5,042)	-
Interest Payments on Revenue Bonds and Other Debt	-	(36)	-	(11,282)	-
Proceeds From Sale of Capital Assets	55	66	-	2,479	-
Payments to Acquire or Construct Capital Assets	(369)	(2,807)	(3)	(15,059)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	**(314)**	**(3,009)**	**(3)**	**(28,904)**	**0**
Cash Flows From Investing Activities					
Purchase of Investments	-	-	(335,057)	(5,740)	-
Proceeds From Sale and Maturities of Investments	-	-	280,358	5,292	-
Interest and Dividends on Investments	2	-	52,898	2,225	67
Net Cash Provided By (Used In) Investing Activities	**2**	**0**	**(1,801)**	**1,777**	**67**
Net Increase (Decrease) In Cash and Cash Equivalents	**3,880**	**7,084**	**2,898**	**(1,175)**	**(89)**
Cash Balance, October 1, 1999	15,752	18,863	25,953	25,981	3,197
Restatements and Reclassifications	-	-	-	(4)	-
Cash Balance, September 30, 2000	**19,632**	**25,947**	**28,851**	**24,802**	**3,108**
Add: Warrants Payable	226	194	271	-	2
Less: Restricted Cash	-	-	-	(11,451)	-
Cash and Cash Equivalents, as Reported on Balance Sheet	**$ 19,858**	**$ 26,141**	**$ 29,122**	**$ 13,351**	**$ 3,110**

Local Government Employees' Health Insurance	Alabama Health Insurance Plan	Other Enterprise Funds	Totals
$ 4,794	$ (6,180)	$ 629	$ 90,692
(1,183)	-	-	(78,848)
-	4,371	-	21,491
-	-	112	2,858
-	-	270	16,063
122	(78)	6	667
-	-	-	16
(83)	-	-	(83)
-	-	(42)	3,809
(87)	-	-	24,397
84	4	(2)	(5,562)
9	20	(8)	2,511
-	-	-	304
-	-	4	326
860	(120)	-	343
-	-	(13)	251
-	-	-	48
38	1,113	-	1,151
-	656	-	(21,080)
-	-	-	1
4,554	**(214)**	**956**	**59,355**
-	-	132	10,573
(609)	-	(914)	(21,240)
(609)	**0**	**(782)**	**(10,667)**
-	-	(125)	(5,399)
-	-	(111)	(11,429)
-	-	-	2,600
-	-	(91)	(18,329)
0	**0**	**(327)**	**(32,557)**
(56,169)	-	-	(396,966)
41,865	-	-	327,515
1,209	98	17	56,516
(13,095)	**98**	**17**	**(12,935)**
(9,150)	**(116)**	**(136)**	**3,196**
12,266	2,537	1,174	105,723
-	-	-	(4)
3,116	**2,421**	**1,038**	**108,915**
-	-	-	693
-	-	-	(11,451)
$ 3,116	**$ 2,421**	**$ 1,038**	**$ 98,157**

Continued on next page...

COMBINING STATEMENT OF CASH FLOWS
Enterprise Funds
(Continued from previous page)
For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

	Alcoholic Beverage Control Board	State Parks	Prepaid Affordable College Tuition	State Port Authority	Guaranteed Student Loan Program
Noncash Investing, Capital, and Financing Activities					
Increase (Decrease):					
Disposals and Write-offs of Fixed Assets	(2,073)	(829)	(3)	-	-
Transfers and Donations of Fixed Assets	-	476	-	-	-
Prior Period Adjustments to Fixed Assets	-	(471)	-	-	-
Assets Acquired, But Will Be Paid For In Following Fiscal Year	23	44	-	-	-
Interest Accruals and Amortizations	-	-	1,019	-	-
Unrealized Gains (Losses) In Investment Fair Value	-	-	23,660	-	-
Investment Accruals and Other Adjustments	-	-	-	-	-
In Investments From Change in Fair Values	-	-	23,660	-	-
Transfers (To) From Component Units	-	-	-	6,116	-
Revenue Bond Amortizations and Other Debt Adjustments	-	-	-	404	-

Local Govt Employees' Health Insurance	Alabama Health Insurance Plan	Other Enterprise Funds	Totals
-	-	(48)	(2,953)
-	-	-	476
-	-	-	(471)
-	-	-	67
57	-	-	1,076
(83)	-	-	23,577
26	-	-	26
(83)	-	-	23,577
-	-	-	6,116
-	-	-	404

ALABAMA
TENNESSEE
TENNESSEE RIVER
RIVER
RIVER
COOSA
ALLAPOOSA
BLACK WARRIOR
CAHABA R.
RIVER
RIVER
ALABAMA
TOMBIGBEE
CONECUH R.
PEA R.
MISSISSIPPI
GEORGIA
FLORIDA
Gulf of Mexico
GREAT SEAL

Internal Service Funds

Internal Service Funds are maintained to account for the operation of State agencies which provide goods and services to other State agencies on a cost-reimbursement basis.

Information Services Fund provides equipment, computer services, information technology, and planning and coordination in equipment and system selection.

Telecommunications provide for the coordination and promotion of the efficiency in the acquisition, operation and maintenance of telecommunications equipment, systems, and networks used by state agencies.

Service Division accounts for mail, supply, and motor pool services provided to state agencies.

Printing and Publications provide printing services to State agencies.

State Employees' Health Insurance provides health insurance coverage for state employees.

Public Education Employees' Health Insurance provides health insurance coverage for employees of school systems and junior colleges.

Correctional Industries and Farms account for the agricultural operations and manufacturing activities of the State's correctional facilities.

State and Federal Surplus Property account for the transfer and sale of surplus property originating from both the federal and state governments.

Building Renovation Finance Authority accounts for the rental and maintenance of the buildings in the State Capitol Complex.

Public Road and Bridge Internal Service Fund accounts for activities and resources used to produce goods and services for other highway funds and agencies on a cost-reimbursement basis.

Risk Management accounts for the resources used to provide insurance coverage for State buildings, school buildings, and their contents against fire and casualty losses. Risk Management also insures state employees against work related injuries as well as the risk of loss from employment-related liability claims.

Other Internal Service Funds account for other small internal service funds operated by the Finance Department and the Military Department.

COMBINING BALANCE SHEET
Internal Service Funds

September 30, 2000
(Amounts in Thousands)

	Information Services Fund	Telecom-munications	Service Division	Printing and Publications	State Employees' Health Insurance
ASSETS					
Current Assets					
Cash and Cash Equivalents	$ 14,712	$ 2,723	$ 3,740	$ 987	$ 2,202
Investments, Short-term	-	-	-	-	22,253
Accounts Receivable	4	607	-	-	236
Interest and Dividends Receivable	-	-	-	-	259
Due from Other Funds	12,745	3,485	866	1,607	582
Due from Component Unit	281	69	38	57	-
Due from Other Governments	-	-	-	-	-
Inventory	-	-	1,064	354	-
Other Current Assets	-	-	-	-	177
Total Current Assets	**27,742**	**6,884**	**5,708**	**3,005**	**25,709**
Noncurrent Assets					
Investments, Long-term	-	-	-	-	20,656
Other Noncurrent Assets	-	-	-	-	-
Fixed Assets (Net of Accumulated Depreciation)	3,356	3,492	1,626	1,420	98
Total Noncurrent Assets	**3,356**	**3,492**	**1,626**	**1,420**	**20,754**
TOTAL ASSETS	**$ 31,098**	**$ 10,376**	**$ 7,334**	**$ 4,425**	**$ 46,463**
LIABILITIES AND FUND EQUITY					
Liabilities					
Warrants Payable	$ 166	$ 881	$ 699	$ 4	$ 129
Accounts Payable	927	1,601	157	248	425
Salaries Payable	325	140	43	134	85
Due to Other Funds	16	1,355	18	10	117
Due to Component Units	-	9	-	-	8
Due to Other Governments	9,076	-	-	-	-
Deferred Revenue	-	-	-	568	16,839
Funds Held in Escrow	2,901	-	-	-	-
Compensated Absences	-	-	-	-	-
Insurance Claims Incurred But Not Reported	-	-	-	-	14,992
Revenue Bonds Payable	-	-	-	-	-
Capital Leases	223	186	-	272	-
Other Current Liabilities	-	-	-	-	57
Total Current Liabilities	**13,634**	**4,172**	**917**	**1,236**	**32,652**
Long-term Liabilities					
Compensated Absences	1,183	448	85	427	203
Revenue Bonds Payable	-	-	-	-	-
Capital Leases Payable	696	299	-	246	-
Other Long-term Liabilities	-	-	-	-	-
Total Long-term Liabilities	**1,879**	**747**	**85**	**673**	**203**
Total Liabilities	**15,513**	**4,919**	**1,002**	**1,909**	**32,855**
Fund Equity					
Contributed Capital - State	2,842	3,389	492	378	-
Contributed Capital - Other	-	-	145	-	-
Retained Earnings Reserved for First Quarter Operations	-	-	-	-	-
Retained Earnings Reserved for Equipment Replacement	-	-	-	-	-
Retained Earnings, Unreserved	12,743	2,068	5,695	2,138	13,608
Total Fund Equity	**15,585**	**5,457**	**6,332**	**2,516**	**13,608**
TOTAL LIABILITIES AND FUND EQUITY	**$ 31,098**	**$ 10,376**	**$ 7,334**	**$ 4,425**	**$ 46,463**

Public Education Employees' Health Insurance	Correctional Industries and Farms	State and Federal Surplus Property	Building Renovation Finance Authority	Public Road and Bridge Internal Service Fund	Risk Management	Other Internal Service Funds	Totals
$ 488	$ 6,372	$ 900	$ 29,136	$ 44,719	$ 3,303	$ 794	$ 110,076
44,568	-	-	-	-	7,107	-	73,928
2,371	-	-	-	-	486	10	3,714
202	-	-	-	-	1,248	-	1,709
-	954	-	4,399	172	445	22	25,277
-	-	-	-	-	168	-	613
-	-	-	-	132	-	-	132
-	2,809	13,120	-	16,126	-	-	33,473
203	-	-	-	-	2,554	-	2,934
47,832	**10,135**	**14,020**	**33,535**	**61,149**	**15,311**	**826**	**251,856**
5,634	-	-	-	-	118,109	-	144,399
-	-	-	422	-	-	-	422
-	3,081	217	49,902	68,175	172	42	131,581
5,634	**3,081**	**217**	**50,324**	**68,175**	**118,281**	**42**	**276,402**
$ 53,466	**$ 13,216**	**$ 14,237**	**$ 83,859**	**$ 129,324**	**$ 133,592**	**$ 868**	**$ 528,258**
$ 18	$ 60	$ 3	$ 3	$ 189	$ 453	$ 89	$ 2,694
5	678	182	321	4,541	1,235	2	10,322
48	279	53	116	3,145	69	45	4,482
-	143	12	2,479	344	675	68	5,237
-	-	-	-	3	2	-	22
-	2	3	14	14	47	-	9,156
-	-	-	-	-	-	-	17,407
-	-	13,147	-	2	212	-	16,262
-	15	-	-	426	-	-	441
41,700	-	-	-	-	13,768	-	70,460
-	-	-	2,690	-	-	-	2,690
-	-	-	-	-	-	-	681
11,396	-	-	-	-	14,170	-	25,623
53,167	**1,177**	**13,400**	**5,623**	**8,664**	**30,631**	**204**	**165,477**
168	922	167	248	6,659	209	140	10,859
-	-	-	93,143	-	-	-	93,143
-	-	-	-	-	-	-	1,241
-	-	-	14	-	-	-	14
168	**922**	**167**	**93,405**	**6,659**	**209**	**140**	**105,257**
53,335	**2,099**	**13,567**	**99,028**	**15,323**	**30,840**	**344**	**270,734**
-	-	27	22	45,331	-	25	52,506
-	7	-	-	-	-	-	152
-	-	79	-	-	-	-	79
-	-	-	-	21,008	-	-	21,008
131	11,110	564	(15,191)	47,662	102,752	499	183,779
131	**11,117**	**670**	**(15,169)**	**114,001**	**102,752**	**524**	**257,524**
$ 53,466	**$ 13,216**	**$ 14,237**	**$ 83,859**	**$ 129,324**	**$ 133,592**	**$ 868**	**$ 528,258**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
Internal Service Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Information Services Fund	Telecom-munications	Service Division	Printing and Publications	State Employees' Health Insurance
OPERATING REVENUES					
Charges for Goods and Services	$ 29,181	$ 14,485	$ 8,993	$ 4,602	$ -
Investment Income	-	-	-	-	1,806
Insurance Premiums	-	-	-	-	180,493
Rents and Leases	-	-	-	-	-
Sale of Land, Timber, and Minerals	-	-	-	-	-
Total Operating Revenues	**29,181**	**14,485**	**8,993**	**4,602**	**182,299**
OPERATING EXPENSES					
Salaries, Wages, and Benefits	5,850	2,578	785	2,364	823
Utilities and Communications	83	12,685	22	140	91
Professional Services	1,058	1,476	48	52	4,025
Supplies, Materials, and Operating Expenses	1,541	478	6,976	1,771	84
Interest	-	-	-	-	-
Depreciation	2,106	2,057	617	545	39
Insurance Claims	-	-	-	-	185,247
Other	7,034	977	383	375	143
Total Operating Expenses	**17,672**	**20,251**	**8,831**	**5,247**	**190,452**
Operating Income (Loss)	**11,509**	**(5,766)**	**162**	**(645)**	**(8,153)**
NONOPERATING REVENUES (EXPENSES)					
Investment Income	-	-	-	-	-
Other Nonoperating Revenues	139	60	11	11	1
Interest Expense	(65)	(16)	-	(35)	-
Other Nonoperating Expenses	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	**74**	**44**	**11**	**(24)**	**1**
Income (Loss) Before Operating Transfers	**11,583**	**(5,722)**	**173**	**(669)**	**(8,152)**
TRANSFERS					
Operating Transfers In	-	4,786	-	-	609
Operating Transfers from Component Units	-	-	-	-	-
Operating Transfers Out	(50)	(16)	(4)	(11)	(273)
Total Transfers	**(50)**	**4,770**	**(4)**	**(11)**	**336**
Net Income (Loss)	**11,533**	**(952)**	**169**	**(680)**	**(7,816)**
Fund Equity, October 1, 1999	9,083	6,379	6,158	3,196	18,910
Restatements	(5,031)	30	-	-	2,514
Increase (Decrease) in Contributed Capital	-	-	5	-	-
Fund Equity, September 30, 2000	**$ 15,585**	**$ 5,457**	**$ 6,332**	**$ 2,516**	**$ 13,608**

Public Education Employees' Health Insurance	Correctional Industries and Farms	State and Federal Surplus Property	Building Renovation Finance Authority	Public Road and Bridge Internal Service Fund	Risk Management	Other Internal Service Funds	Totals
$ -	$ 13,007	$ 2,624	$ -	$ 111,974	$ 1,120	$ 340	$ 186,326
3,835	-	-	612	-	6,452	-	12,705
474,050	-	-	-	-	20,873	-	675,416
-	-	-	13,675	-	-	210	13,885
-	247	-	-	-	-	-	247
477,885	**13,254**	**2,624**	**14,287**	**111,974**	**28,445**	**550**	**888,579**
826	4,748	918	2,075	47,421	1,301	796	70,485
16	528	44	2,332	4	114	16	16,075
79	431	89	730	22,062	2,804	382	33,236
2	7,968	1,470	267	10,091	7,176	27	37,851
-	-	-	5,330	-	-	-	5,330
-	335	113	3,692	10,495	75	17	20,091
476,770	-	-	-	-	5,638	-	667,655
2	1,715	372	555	13,018	2,728	98	27,400
477,695	**15,725**	**3,006**	**14,981**	**103,091**	**19,836**	**1,336**	**878,123**
190	**(2,471)**	**(382)**	**(694)**	**8,883**	**8,609**	**(786)**	**10,456**
-	-	-	501	-	-	-	501
-	485	6	-	1,541	742	-	2,996
-	-	-	-	-	-	-	(116)
-	-	-	-	-	(54)	(4)	(58)
0	**485**	**6**	**501**	**1,541**	**688**	**(4)**	**3,323**
190	**(1,986)**	**(376)**	**(193)**	**10,424**	**9,297**	**(790)**	**13,779**
-	2,379	505	13,325	413	-	-	22,017
-	-	-	-	-	-	110	110
(2)	(14)	(208)	(11,849)	-	(4)	(121)	(12,552)
(2)	**2,365**	**297**	**1,476**	**413**	**(4)**	**(11)**	**9,575**
188	**379**	**(79)**	**1,283**	**10,837**	**9,293**	**(801)**	**23,354**
(57)	10,738	749	(16,461)	102,764	93,518	1,331	236,308
-	-	-	9	400	(59)	(6)	(2,143)
-	-	-	-	-	-	-	5
$ 131	**$ 11,117**	**$ 670**	**$ (15,169)**	**$ 114,001**	**$ 102,752**	**$ 524**	**$ 257,524**

COMBINING STATEMENT OF CASH FLOWS
Internal Service Funds

For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

	Information Services Fund	Telecom-munications	Service Division	Printing and Publications	State Employees' Health Insurance
Cash Flows From Operating Activities					
Operating Income (Loss)	$ 11,509	$ (5,766)	$ 162	$ (645)	$ (8,153)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Investment Income	-	-	-	-	(1,806)
Other Nonoperating Revenues	423	116	2	8	1
Operating Interest Expense	-	-	-	-	-
Other Nonoperating Expenses	-	-	-	-	-
Depreciation	2,106	2,057	617	545	39
(Increase) Decrease in Assets:					
Accounts Receivable	(4)	(95)	-	-	(236)
Due From Other Funds	(6,080)	(1,398)	192	(334)	628
Due From Component Units	500	(10)	14	(37)	1
Due From Other Governments	-	-	-	-	-
Inventory	-	-	331	(43)	-
Other Assets	-	-	-	-	(177)
Increase (Decrease) in Liabilities:					
Accounts Payable	(411)	(376)	(164)	62	(7,028)
Due to Other Funds	(182)	200	(33)	(27)	(57)
Due To Component Units	(1)	(3)	-	-	(20)
Due to Other Governments	-	-	-	-	-
Deferred Revenues	(755)	-	-	568	16,723
Salaries Payable	24	5	6	8	10
Compensated Absences	11	(20)	2	18	33
Insurance Claims Incurred But Not Reported	-	-	-	-	-
Other Liabilities	-	-	-	-	57
Amounts Held In Custody for Others	2,579	-	-	-	-
Net Cash Provided by (Used In) Operating Activities	**9,719**	**(5,290)**	**1,129**	**123**	**15**
Cash Flows From Noncapital Financing Activities:					
Operating Transfers In	-	4,755	-	-	609
Operating Transfers From Component Units	-	-	-	-	-
Operating Transfers Out	(19)	(12)	(4)	(11)	(273)
Net Cash Provided By (Used In) Noncapital Financing Activities	**(19)**	**4,743**	**(4)**	**(11)**	**336**
Cash Flows From Capital and Related Financing Activities:					
Principal Payments on Revenue Bonds and Other Debt	(616)	(89)	-	(257)	-
Interest Payments on Revenue Bonds and Other Debt	(65)	(14)	-	(35)	-
Proceeds From Sale of Capital Assets	-	-	147	-	9
Payments to Acquire or Construct Capital Assets	(357)	(494)	(615)	(72)	(20)
Net Cash Provided By (Used In) Capital and Related Financing Activities	**(1,038)**	**(597)**	**(468)**	**(364)**	**(11)**
Cash Flows From Investing Activities					
Purchase of Investments	-	-	-	-	(42,217)
Proceeds From Sale and Maturities of Investments	-	-	-	-	11,932
Interest and Dividends on Investments	-	-	-	-	2,461
Net Cash Provided By (Used In) Investing Activities	**0**	**0**	**0**	**0**	**(27,824)**
Net Increase (Decrease) In Cash and Cash Equivalents	**8,662**	**(1,144)**	**657**	**(252)**	**(27,484)**
Cash Balance, October 1, 1999	5,884	2,986	2,384	1,235	29,557
Cash Balance, September 30, 2000	**14,546**	**1,842**	**3,041**	**983**	**2,073**
Add: Warrants Payable	166	881	699	4	129
Cash and Cash Equivalents, as Reported on Balance Sheet	**$ 14,712**	**$ 2,723**	**$ 3,740**	**$ 987**	**$ 2,202**

Public Education Employees' Health Insurance	Correctional Industries and Farms	State and Federal Surplus Property	Building Renovation Finance Authority	Public Road and Bridge Internal Service Fund	Risk Management	Other Internal Service Funds	Total
$ 190	$ (2,471)	$ (382)	$ (694)	$ 8,883	$ 8,609	$ (786)	$ 10,456
(3,835)	-	-	(612)	-	(6,452)	-	(12,705)
-	478	7	-	-	745	-	1,780
-	-	-	5,330	-	-	-	5,330
-	-	-	-	-	(54)	-	(54)
-	335	113	3,692	10,495	75	17	20,091
(1,203)	-	-	-	11	661	(9)	(875)
-	(464)	17	(3,273)	(103)	337	464	(10,014)
-	-	1	-	4	242	-	715
-	449	-	-	176	-	54	679
-	155	(169)	-	696	-	-	970
249	-	-	38	-	(175)	-	(65)
(22)	(136)	88	(106)	(95)	690	-	(7,498)
(1)	41	4	2,152	(37)	(422)	33	1,671
-	-	-	-	(30)	(5)	(2)	(61)
-	-	3	1	(4)	(488)	-	(488)
-	-	-	-	-	-	-	16,536
-	43	4	11	681	5	1	798
(10)	6	10	5	(140)	18	24	(43)
2,500	-	-	-	-	(1,798)	-	702
(3,661)	-	-	-	-	1,129	-	(2,475)
-	-	228	-	(10)	-	-	2,797
(5,793)	**(1,564)**	**(76)**	**6,544**	**20,527**	**3,117**	**(204)**	**28,247**
-	2,379	505	13,325	413	-	-	21,986
-	-	-	-	-	-	110	110
(2)	(14)	(205)	(11,849)	-	(4)	(121)	(12,514)
(2)	**2,365**	**300**	**1,476**	**413**	**(4)**	**(11)**	**9,582**
-	-	-	(2,555)	-	-	-	(3,517)
-	-	-	(5,377)	-	-	-	(5,491)
-	36	-	-	4,915	-	-	5,107
-	(237)	(29)	(7)	(18,191)	(48)	(5)	(20,075)
0	**(201)**	**(29)**	**(7,939)**	**(13,276)**	**(48)**	**(5)**	**(23,976)**
(597,469)	-	-	-	-	(266,301)	-	(905,987)
571,233	-	-	-	-	253,008	-	836,173
3,887	-	-	1,118	-	7,817	-	15,283
(22,349)	**0**	**0**	**1,118**	**0**	**(5,476)**	**0**	**(54,531)**
(28,144)	**600**	**195**	**1,199**	**7,664**	**(2,411)**	**(220)**	**(40,678)**
28,614	5,712	702	27,934	36,866	5,261	925	148,060
470	**6,312**	**897**	**29,133**	**44,530**	**2,850**	**705**	**107,382**
18	60	3	3	189	453	89	2,694
$ 488	**$ 6,372**	**$ 900**	**$ 29,136**	**$ 44,719**	**$ 3,303**	**$ 794**	**$ 110,076**

Continued on next page...

STATE OF ALABAMA

COMBINING STATEMENT OF CASH FLOWS
Internal Service Funds
(Continued from previous page)
For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

	Information Services Fund	Telecom-munications	Service Division	Printing and Publication	State Employees' Health Insurance
Noncash Investing, Capital, and Financing Activities					
Increase (Decrease):					
Disposals and Write-offs of Fixed Assets	(4,819)	(555)	(619)	-	-
Transfers and Donations of Fixed Assets	66	32	9	1	-
Fixed Assets Acquired by Capital Lease	-	574	-	-	-
Prior Period Adjustments to Fixed Assets	(33)	224	-	-	-
Assets Acquired, But Will Be Paid For In Following Fiscal Year	-	4	-	-	4
Assumption of Capital Lease Obligation	-	574	-	-	-
Interest Accruals and Amortizations	-	-	-	-	264
Unrealized Gains (Losses) In Investment Fair Value	-	-	-	-	(923)
Investment Accruals and Other Adjustments	-	-	-	-	5
In Investments From Change in Fair Values	-	-	-	-	(923)
Prior Period Adjustments to Investments	-	-	-	-	9
Operating Transfer In (Out)	-	-	-	-	-
Revenue Bond Amortizations and Other Debt Adjustments	-	-	-	-	-
Prior Period Adjustment of Debt Balances	25	-	-	-	-

Public Education Employees' Health Insurance	Correctional Industries	State and Federal Surplus Property	Building Renovation Finance Authority	Public Road and Bridge Internal Service Fund	Risk Management	Other Internal Service Funds	Total
-	(1,426)	(19)	(23)	(6,942)	(64)	(7)	(14,474)
-	-	50	-	-	-	-	158
-	-	-	-	-	-	-	574
-	18	-	-	(408)	-	(24)	(223)
-	19	1	16	1,177	-	-	1,221
-	-	-	-	-	-	-	574
125	-	-	-	-	350	-	739
(176)	-	-	-	-	(1,852)	-	(2,951)
-	-	-	-	-	338	-	343
(176)	-	-	-	-	(1,852)	-	(2,951)
-	-	-	-	-	(59)	-	(50)
-	-	(3)	-	-	-	-	(3)
-	-	-	99	-	-	-	99
-	-	-	-	-	-	-	25

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the State in a trustee capacity or as an agent for others.

EXPENDABLE TRUST FUNDS

Expendable Trust Funds account for resources the State holds as trustee. Both the principal and earnings of Expendable Trust Funds may be used for purposes allowed under the trust agreement.

Unemployment Compensation Trust accounts for the collection of unemployment insurance taxes from employers and the payment of unemployment benefits to eligible claimants.

Abandoned Property accounts for the custody and disposition of abandoned or unclaimed property.

Forever Wild Land Trust acquires, maintains, and protects unique lands and water areas.

Workers' Compensation Escrow accounts for funds held in trust under the Workmen's Compensation program.

Flexible Employees' Benefits accounts for an employee cafeteria plan.

NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds account for resources the State holds as trustee. The principal of thesefunds must be preserved and only the earnings may be used for purposes allowed under the trust agreement.

Heritage Trust was established by constitutional amendment. The Trust Fund was created from the proceeds of all sales or lease payments received by the State from January 1, 1981 through October 31, 1981 for the rights to explore and drill for oil and gas in any offshore area. Within 90 days after September 1, 2001, the trust capital of the Heritage Trust Fund will be transferred to the Alabama Trust Fund, and all aspects of the Heritage Trust Fund will terminate.

Alabama Trust is an irrevocable, permanent trust fund established by constitutional amendment. The trust fund is comprised of all payments, including royalty payments, received since August 1, 1984 for the sale or lease of rights for offshore exploration and drilling for oil and gas off the Alabama coast.

Alabama Research Institute awards research grants to State universities to promote science and technology.

Sixteenth Section and School Lands are permanent trusts established to account for the funds accumulated from the sale or use of properties set aside for educational purposes. Investment earnings benefit local school systems.

Penny Trust is a perpetual trust which manages donated funds for the benefit of public health and public schools.

Game and Fish Endowment invests the proceeds of lifetime hunting and fishing licenses and uses the investment income to preserve, protect, propagate, and develop wildlife within the State.

Stonewall Jackson Memorial Scholarship furthers education through essay contests and scholarship awards.

Education Department Endowments account for the proceeds of several endowments managed by the Department.

Senior Services Trust invests a portion of the proceeds of the tobacco settlement and uses the investment income to fund programs for the elderly.

PENSION TRUST FUNDS

Pension funds accountfor the resources of retirement plans administered by the state.

Peace Officers' Annuity and Benefit provides a pension benefit to State and local peace officers.

State Port Authority Hourly Plan and State Port Authority Railway Plan are retirement funds for certain employees of the Alabama State Docks department who are not members of the State Employees' Retirement System.

AGENCY FUNDS

Agency funds account for assets held by the State for other funds, governments, or individuals. Agencyfunds are custodial in nature (assets equal liabilities) and, therefore, have no revenues, expenditures, or fund balances.

Other State Taxes aggregates numerous state tax collection funds for financial reporting purposes. This fund accounts for the collection of income taxes, sales taxes, gasoline and motor fuels taxes, motor vehicle licenses, and severance taxes, among others, pending allocation to other funds.

Taxes Collected For Local Governments accounts for local taxes which are collected by the state for local governments. These taxes do not represent revenues of the state.

Payroll accounts for undistributed withholdings for employee benefits and payroll taxes.

Defeased Bonds Escrow are irrevocable bond defeasance escrow funds established to hold sufficient resources to satisfy outstanding bond debt of various State entities. The State Treasurer holds these assets in the capacity of an independent trustee. The related debt is no longer considered to be outstanding.

Other Agency Funds are aggregated for financial reporting purposes and represent amounts held for child support payments, cash bonds, and numerous other deposits.

COMBINING BALANCE SHEET
Trust and Agency Funds

September 30, 2000

(Amounts in Thousands)

	Expendable Trusts	Nonexpendable Trusts	Pension Trusts	Agency
ASSETS				
Cash and Cash Equivalents	$ 460,850	$ 307,645	$ 323	$ 252,575
Investments	-	1,603,641	24,260	49,823
Accounts Receivable	13	15,493	-	6
Interest and Dividends Receivable	-	24,143	166	-
Mortgages, Notes, and Loans Receivable	-	31	-	-
Due from Other Funds	19	-	-	607
Other Assets	-	-	-	1
Fixed Assets (Net of Accumulated Depreciation)	-	26,981	21	-
TOTAL ASSETS	**$ 460,882**	**$ 1,977,934**	**$ 24,770**	**$ 303,012**
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants Payable	$ 414	$ 5	$ 201	$ 40,947
Accounts Payable	22	-	17	318
Salaries Payable	30	-	11	-
Due to Other Funds	1,042	24	1	5,204
Due to Component Units	1	-	-	-
Due to Other Governments	-	-	-	14,299
Deferred Revenue	-	-	-	1,458
Amounts Held Pending Distribution	-	-	-	97,735
Amounts Held in Custody for Others	3,922	-	-	143,051
Compensated Absences	-	-	49	-
Total Liabilities	**5,431**	**29**	**279**	**303,012**
Fund Balances				
Reserved for Encumbrances	37	-	-	-
Reserved for Permanent Trust Principal	-	1,977,905	-	-
Unreserved, Undesignated	455,414	-	-	-
Reserved for Employees' Pension Benefits	-	-	24,491	-
Total Fund Balances	**455,451**	**1,977,905**	**24,491**	**0**
TOTAL LIABILITIES AND FUND BALANCES	**$ 460,882**	**$ 1,977,934**	**$ 24,770**	**$ 303,012**

Totals
$ 1,021,393
1,677,724
15,512
24,309
31
626
1
27,002
$ 2,766,598

$ 41,567
357
41
6,271
1
14,299
1,458
97,735
146,973
49
308,751

37
1,977,905
455,414
24,491
2,457,847

$ 2,766,598

COMBINING BALANCE SHEET
Expendable Trust Funds

September 30, 2000

(Amounts in Thousands)

	Unemployment Compensation Trust	Abandoned Property	Forever Wild Land Trust	Workers' Compensation Escrow
ASSETS				
Cash and Cash Equivalents	$ 442,636	$ 7,223	$ 9,928	$ 900
Accounts Receivable	-	-	-	-
Due from Other Funds	19	-	-	-
TOTAL ASSETS	**$ 442,655**	**$ 7,223**	**$ 9,928**	**$ 900**
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants Payable	$ -	$ 328	$ -	$ -
Accounts Payable	-	17	3	2
Salaries Payable	-	30	-	-
Due to Other Funds	950	38	-	-
Due to Component Units	-	1	-	-
Amounts Held in Custody for Others	-	3,151	-	771
Total Liabilities	**950**	**3,565**	**3**	**773**
Fund Balances				
Reserved for Encumbrances	-	11	-	-
Unreserved, Undesignated	441,705	3,647	9,925	127
Total Fund Balances	**441,705**	**3,658**	**9,925**	**127**
TOTAL LIABILITIES AND FUND BALANCES	**$ 442,655**	**$ 7,223**	**$ 9,928**	**$ 900**

Flexible Employees' Benefits	Totals
$ 163	$ 460,850
13	13
-	19
$ 176	**$ 460,882**
$ 86	$ 414
-	22
-	30
54	1,042
-	1
-	3,922
140	**5,431**
26	37
10	455,414
36	**455,451**
$ 176	**$ 460,882**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Expendable Trust Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Unemployment Compensation Trust	Abandoned Property	Forever Wild Land Trust	Workers' Compensation Escrow
REVENUES				
Taxes	$ 156,675	$ -	$ -	$ -
Licenses, Permits, and Fees	-	-	-	-
Fines, Forfeits, and Court Settlements	1,277	-	-	-
Investment Income	29,019	-	318	-
Federal Grants and Reimbursements	17,649	-	-	-
Other Revenues	8,317	14,428	13	-
Total Revenues	**212,937**	**14,428**	**331**	**0**
EXPENDITURES				
Current:				
Natural Resources and Recreation	-	-	17	-
Social Services	220,829	-	-	-
General Government	-	878	-	-
Total Expenditures	**220,829**	**878**	**17**	**0**
Revenues Over (Under) Expenditures	**(7,892)**	**13,550**	**314**	**0**
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	8,567	-
Operating Transfers Out	(8,145)	(10,429)	(8,162)	-
Total Other Financing Sources (Uses)	**(8,145)**	**(10,429)**	**405**	**0**
Revenues and Other Sources Over (Under) Expenditures and Other Uses	**(16,037)**	**3,121**	**719**	**0**
Fund Balances, October 1, 1999	459,088	537	9,206	127
Restatements	(1,346)	-	-	-
Fund Balances, September 30, 2000	**$ 441,705**	**$ 3,658**	**$ 9,925**	**$ 127**

Flexible Employees' Benefits	Totals
$ -	$ 156,675
8	8
-	1,277
-	29,337
-	17,649
108	22,866
116	**227,812**
-	17
-	220,829
467	1,345
467	**222,191**
(351)	**5,621**
270	8,837
-	(26,736)
270	**(17,899)**
(81)	**(12,278)**
117	469,075
-	(1,346)
$ 36	**$ 455,451**

COMBINING BALANCE SHEET
Nonexpendable Trust Funds

September 30, 2000

(Amounts in Thousands)

	Heritage Trust	Alabama Trust	Alabama Research Institute	Sixteenth Section and School Lands	Penny Trust
ASSETS					
Cash and Cash Equivalents	$ 10,044	$ 259,885	$ 13	$ 36,495	$ 1,086
Investments	463,943	1,104,219	12,518	445	568
Accounts Receivable	-	15,493	-	-	-
Interest and Dividends Receivable	9,396	14,744	3	-	-
Mortgages, Notes, and Loans Receivable	-	-	-	-	-
Fixed Assets (Net of Accumulated Depreciation)	-	26,981	-	-	-
TOTAL ASSETS	**$ 483,383**	**$ 1,421,322**	**$ 12,534**	**$ 36,940**	**$ 1,654**
LIABILITIES AND FUND BALANCES					
Liabilities					
Warrants Payable	$ -	$ -	$ 5	$ -	$ -
Due to Other Funds	-	-	-	-	-
Total Liabilities	**0**	**0**	**5**	**0**	**0**
Fund Balances					
Reserved for Permanent Trust Principal	483,383	1,421,322	12,529	36,940	1,654
Total Fund Balances	**483,383**	**1,421,322**	**12,529**	**36,940**	**1,654**
TOTAL LIABILITIES AND FUND BALANCES	**$ 483,383**	**$ 1,421,322**	**$ 12,534**	**$ 36,940**	**$ 1,654**

Game and Fish and Marine Endowments	Stonewall Jackson Memorial Scholarship	Education Department Endowments	Senior Services Trust	Totals
$ 31	$ 7	$ 84	$ -	$ 307,645
10,225	87	9,945	1,691	1,603,641
-	-	-	-	15,493
-	-	-	-	24,143
-	31	-	-	31
-	-	-	-	26,981
$ 10,256	**$ 125**	**$ 10,029**	**$ 1,691**	**$ 1,977,934**
$ -	$ -	$ -	$ -	$ 5
-	-	24	-	24
0	**0**	**24**	**0**	**29**
10,256	125	10,005	1,691	1,977,905
10,256	**125**	**10,005**	**1,691**	**1,977,905**
$ 10,256	**$ 125**	**$ 10,029**	**$ 1,691**	**$ 1,977,934**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
Nonexpendable Trust Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Heritage Trust	Alabama Trust	Alabama Research Institute	Sixteenth Section and School Lands	Penny Trust
OPERATING REVENUES					
Charges for Goods and Services	$ -	$ -	$ -	$ -	$ 65
Investment Income	26,430	82,759	1,165	-	68
Rents and Leases	-	143,882	-	144	-
Sale of Land, Timber, and Minerals	-	-	-	406	-
Licenses and Fees	-	-	-	-	-
Total Operating Revenues	**26,430**	**226,641**	**1,165**	**550**	**133**
OPERATING EXPENSES					
Professional Services	13	-	36	-	-
Grants to Colleges and Universities	-	-	2,197	-	-
Total Operating Expenses	**13**	**0**	**2,233**	**0**	**0**
Operating Income (Loss)	**26,417**	**226,641**	**(1,068)**	**550**	**133**
NONOPERATING REVENUES (EXPENSES)					
Other Nonoperating Revenues	-	-	-	182	12
Total Nonoperating Revenues (Expenses)	**0**	**0**	**0**	**182**	**12**
Income (Loss) Before Operating Transfers	**26,417**	**226,641**	**(1,068)**	**732**	**145**
TRANSFERS					
Operating Transfers In	-	8,162	-	-	311
Operating Transfers from Component Units	-	-	-	-	-
Operating Transfers Out	(50,662)	(84,534)	(41)	-	-
Total Transfers	**(50,662)**	**(76,372)**	**(41)**	**0**	**311**
Net Income (Loss)	**(24,245)**	**150,269**	**(1,109)**	**732**	**456**
Fund Balances, October 1, 1999	507,628	1,271,053	13,653	36,208	1,198
Restatements	-	-	(15)	-	-
Fund Balances, September 30, 2000	**$ 483,383**	**$ 1,421,322**	**$ 12,529**	**$ 36,940**	**$ 1,654**

Game and Fish and Marine Endowments	Stonewall Jackson Memorial Scholarship	Education Department Endowments	Senior Services Trust	Totals
$ -	$ -	$ -	$ -	$ 65
(210)	2	1,273	9	111,496
-	-	-	-	144,026
-	-	-	-	406
483	-	-	-	483
273	**2**	**1,273**	**9**	**256,476**
-	-	-	-	49
-	-	-	-	2,197
0	**0**	**0**	**0**	**2,246**
273	**2**	**1,273**	**9**	**254,230**
13	-	-	-	207
13	**0**	**0**	**0**	**207**
286	**2**	**1,273**	**9**	**254,437**
-	-	-	-	8,473
-	-	-	1,682	1,682
-	-	(236)	-	(135,473)
0	**0**	**(236)**	**1,682**	**(125,318)**
286	**2**	**1,037**	**1,691**	**129,119**
9,966	123	8,968	-	1,848,797
4	-	-	-	(11)
$ 10,256	**$ 125**	**$ 10,005**	**$ 1,691**	**$ 1,977,905**

COMBINING STATEMENT OF CASH FLOWS
Nonexpendable Trust Funds

For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

	Heritage Trust	Alabama Trust	Alabama Research Institute	Sixteenth Section and School Lands
Cash Flows From Operating Activities				
Operating Income (Loss)	$ 26,417	$ 226,641	$(1,068)	$ 550
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Investment Income	(26,430)	(82,759)	(1,165)	-
Other Nonoperating Revenues	-	-	-	182
(Increase) Decrease in Assets:				
Accounts Receivable	-	11,617	4	-
Due From Other Funds	-	-	-	-
Mortgages, Notes, and Loans Receivable	-	-	-	-
Increase (Decrease) in Liabilities:				
Due to Other Funds	-	-	-	-
Net Cash Provided by (Used In) Operating Activities	**(13)**	**155,499**	**(2,229)**	**732**
Cash Flows From Noncapital Financing Activities:				
Operating Transfers In	-	1,065	-	-
Operating Transfers From Component Units	-	-	-	-
Operating Transfers Out	(50,662)	(85,666)	(41)	-
Net Cash Provided By (Used In) Noncapital Financing Activities	**(50,662)**	**(84,601)**	**(41)**	**0**
Cash Flows From Investing Activities				
Purchase of Investments	(125,258)	(1,566,687)	(2,926)	-
Proceeds From Sale and Maturities of Investments	128,379	1,604,667	3,710	-
Interest and Dividends on Investments	50,670	80,036	1,236	-
Net Cash Provided By (Used In) Investing Activities	**53,791**	**118,016**	**2,020**	**0**
Net Increase (Decrease) In Cash and Cash Equivalents	**3,116**	**188,914**	**(250)**	**732**
Cash Balance, October 1, 1999	6,928	70,971	258	35,763
Restatements and Reclassifications (Note 6)	-	-	-	-
Cash Balance, September 30, 2000	**10,044**	**259,885**	**8**	**36,495**
Add: Warrants Payable	-	-	5	-
Cash and Cash Equivalents, as Reported on Balance Sheet	**$ 10,044**	**$ 259,885**	**$ 13**	**$ 36,495**
Noncash Investing, Capital, and Financing Activities				
Increase (Decrease):				
Transfers and Donations of Fixed Assets	-	7,097	-	-
Interest Accruals and Amortizations	66	5,977	-	-
Unrealized Gains (Losses) In Investment Fair Value	(24,305)	(3,254)	(72)	-
Investment Accruals and Other Adjustments	-	(7,521)	-	-
In Investments From Change in Fair Values	(24,305)	(3,254)	(72)	-
Prior Period Adjustments to Investments	-	-	18	-
Operating Transfer In (Out)	-	5,965	-	-

Penny Trust	Game and Fish Endowment	Stonewall Jackson Memorial Scholarship	Education Department Endowments	Senior Services Trust	Totals
$ 133	$ 273	$ 2	$ 1,273	$ 9	$ 254,230
(68)	210	(2)	(1,273)	(9)	(111,496)
12	13	-	-	-	207
-	-	-	-	-	11,621
-	3	-	-	-	3
-	-	(1)	-	-	(1)
-	(5)	-	23	-	18
77	**494**	**(1)**	**23**	**0**	**154,582**
311	-	-	-	-	1,376
-	-	-	-	1,682	1,682
-	-	-	(236)	-	(136,605)
311	**0**	**0**	**(236)**	**1,682**	**(133,547)**
(565)	(9,869)	(4)	(111)	(5,056)	(1,710,476)
639	9,379	-	-	3,366	1,750,140
70	-	5	227	8	132,252
144	**(490)**	**1**	**116**	**(1,682)**	**171,916**
532	**4**	**-**	**(97)**	**-**	**192,951**
554	27	-	181	-	114,682
-	-	7	-	-	7
1,086	**31**	**7**	**84**	**-**	**307,640**
-	-	-	-	-	5
$ 1,086	**$ 31**	**$ 7**	**$ 84**	**$ 0**	**$ 307,645**
-	-	-	-	-	7,097
-	-	-	-	-	6,043
-	(209)	(3)	1,047	-	(26,796)
-	-	(7)	-	-	(7,528)
-	(209)	(3)	1,047	-	(26,796)
-	4	-	-	-	22
-	-	-	-	-	5,965

COMBINING STATEMENT OF PLAN NET ASSETS
Pension Trust Funds

September 30, 2000

(Amounts in Thousands)

	Peace Officers' Annuity and Benefit	State Port Authority Hourly Plan	State Port Authority Railway Plan	Totals
ASSETS				
Cash and Cash Equivalents	$ 323	$ -	$ -	$ 323
Investments (Note 1I, 3)				
Time Deposits	653	-	-	653
U.S. Treasury Securities	3,678	-	-	3,678
U.S. Agency Securities	4,037	-	-	4,037
Corporate Stocks	335	-	-	335
Corporate Bonds	4,316	2,671	283	7,270
Commercial Paper	-	1,254	133	1,387
Other	6,900	-	-	6,900
Receivables				
Interest and Dividends Receivable	166	-	-	166
Fixed Assets (Net of Accumulated Depreciation)	21	-	-	21
TOTAL ASSETS	**$ 20,429**	**$ 3,925**	**$ 416**	**$ 24,770**
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants Payable	$ 201	$ -	$ -	$ 201
Accounts Payable	17	-	-	17
Salaries Payable	11	-	-	11
Due to Other Funds	1	-	-	1
Compensated Absences	49	-	-	49
Total Liabilities	**279**	**0**	**0**	**279**
Fund Balances				
Reserved for Employees' Pension Benefits	20,150	3,925	416	24,491
Total Fund Balances	**20,150**	**3,925**	**416**	**24,491**
TOTAL LIABILITIES AND FUND BALANCES	**$ 20,429**	**$ 3,925**	**$ 416**	**$ 24,770**

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
Pension Trust Funds

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Peace Officers' Annuity and Benefit	State Port Authority Hourly Plan	State Port Authority Railway Plan	Totals
ADDITIONS				
Contributions				
Employee	$ 411	$ -	$ -	$ 411
Total Contributions	411	0	0	411
Investment Income				
Investment Interest and Dividends	878	258	28	1,164
Net Increase (Decrease) in Fair Value of Investments	141	(28)	(3)	110
Total Investment Income	1,019	230	25	1,274
Less:				
Investment Expense	(70)	-	-	(70)
Net Investment Income	949	230	25	1,204
Other Additions				
Licenses and Fees	2,699	-	-	2,699
Operating Transfers In	3,673	-	-	3,673
Total Other Additions	6,372	0	0	6,372
Total Additions	**7,732**	**230**	**25**	**7,987**
DEDUCTIONS				
Benefit Payments	3,516	-	-	3,516
Return of Contributions	52	-	-	52
Administrative Expense	269	-	-	269
Operating Transfers Out	3,674	-	-	3,674
Total Deductions	**7,511**	**0**	**0**	**7,511**
Net Increase (Decrease)	**221**	**230**	**25**	**476**
Fund Balance Reserved for Employees' Pension Benefits, October 1, 1999	19,929	3,695	391	24,015
Fund Balance Reserved for Employees' Pension Benefits, September 30, 2000	**$ 20,150**	**$ 3,925**	**$ 416**	**$ 24,491**

COMBINING BALANCE SHEET
Agency Funds

September 30, 2000

(Amounts in Thousands)

	State Taxes	Taxes Collected For Local Governments	Payroll	Defeased Bonds Escrow	Other Agency Funds
ASSETS					
Cash and Cash Equivalents	$ 117,098	$ 28,409	$ 11,120	$ 226	$ 95,722
Investments	-	-	-	-	49,823
Accounts Receivable	6	-	-	-	-
Due from Other Funds	607	-	-	-	-
Other Assets	-	-	-	-	1
TOTAL ASSETS	**$ 117,711**	**$ 28,409**	**$ 11,120**	**$ 226**	**$ 145,546**
LIABILITIES					
Warrants Payable	$ 14,736	$ 13,806	$ 7,703	$ -	$ 4,702
Accounts Payable	116	106	45	-	51
Due to Other Funds	4,807	397	-	-	-
Due to Other Governments	162	14,100	-	-	37
Deferred Revenue	-	-	-	-	1,458
Amounts Held Pending Distribution	97,671	-	-	-	64
Amounts Held in Custody for Others	219	-	3,372	226	139,234
TOTAL LIABILITIES	**$ 117,711**	**$ 28,409**	**$ 11,120**	**$ 226**	**$ 145,546**

Totals
$ 252,575
49,823
6
607
1
$ 303,012

$ 40,947
318
5,204
14,299
1,458
97,735
143,051
$ 303,012

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
All Agency Funds

For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

	Balance October 1, 1999	Additions	Reductions	Balance September 30, 2000
STATE TAX COLLECTIONS				
ASSETS				
Cash and Cash Equivalents	34,887	8,971,427	8,889,216	117,098
Accounts Receivable	10	6	10	6
Due from Other Funds	319	7,246	6,958	607
TOTAL ASSETS	**$ 35,216**	**$ 8,978,679**	**$ 8,896,184**	**$ 117,711**
LIABILITIES				
Warrants Payable	11,792	432,993	430,049	14,736
Accounts Payable	-	55,442	55,326	116
Due to Other Funds	4,649	5,648	5,490	4,807
Due to Other Governments	154	6,594	6,586	162
Amounts Held Pending Distribution	18,519	8,988,398	8,909,246	97,671
Amounts Held in Custody for Others	102	2,438	2,321	219
TOTAL LIABILITIES	**$ 35,216**	**$ 9,491,513**	**$ 9,409,018**	**$ 117,711**
TAXES COLLECTED FOR LOCAL GOVT				
ASSETS				
Cash and Cash Equivalents	28,074	320,534	320,199	28,409
TOTAL ASSETS	**$ 28,074**	**$ 320,534**	**$ 320,199**	**$ 28,409**
LIABILITIES				
Warrants Payable	20,205	310,264	316,663	13,806
Accounts Payable	-	310,949	310,843	106
Due to Other Funds	35	445	83	397
Due to Other Governments	7,834	321,043	314,777	14,100
TOTAL LIABILITIES	**$ 28,074**	**$ 942,701**	**$ 942,366**	**$ 28,409**
PAYROLL FUND				
ASSETS				
Cash and Cash Equivalents	32,460	1,456,746	1,478,086	11,120
Due from Other Funds	5	-	5	-
TOTAL ASSETS	**$ 32,465**	**$ 1,456,746**	**$ 1,478,091**	**$ 11,120**
LIABILITIES				
Warrants Payable	29,109	1,147,343	1,168,749	7,703
Accounts Payable	7	401,352	401,314	45
Due to Other Funds	22	-	22	-
Due to Other Governments	1	-	1	-
Amounts Held Pending Distribution	-	57,798	57,798	-
Amounts Held in Custody for Others	3,326	652,925	652,879	3,372
TOTAL LIABILITIES	**$ 32,465**	**$ 2,259,418**	**$ 2,280,763**	**$ 11,120**

Continued on next page...

	Balance October 1, 1999	Additions	Reductions	Balance September 30, 2000
DEFEASED BOND ESCROW FUND				
ASSETS				
Cash and Cash Equivalents	23,809	65,750	89,333	226
Investments	62,015	23,941	85,956	-
Interest and Dividends Receivable	426	-	426	-
TOTAL ASSETS	**$ 86,250**	**$ 89,691**	**$ 175,715**	**$ 226**
LIABILITIES				
Accounts Payable	23,593	-	23,593	-
Amounts Held in Custody for Others	62,657	3,411	65,842	226
TOTAL LIABILITIES	**$ 86,250**	**$ 3,411**	**$ 89,435**	**$ 226**
OTHER AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	98,387	1,010,697	1,013,362	95,722
Investments	8,055	42,475	707	49,823
Due from Other Funds	51	-	51	-
Other Assets	1	235	235	1
TOTAL ASSETS	**$ 106,494**	**$ 1,053,407**	**$ 1,014,355**	**$ 145,546**
LIABILITIES				
Warrants Payable	4,764	216,458	216,520	4,702
Accounts Payable	25	7,211	7,185	51
Due to Other Funds	240	-	240	-
Due to Other Governments	89	1,109	1,161	37
Deferred Revenue	878	1,456	876	1,458
Amounts Held Pending Distribution	36	136	108	64
Amounts Held in Custody for Others	100,462	1,150,448	1,111,676	139,234
TOTAL LIABILITIES	**$ 106,494**	**$ 1,376,818**	**$ 1,337,766**	**$ 145,546**

Continued on next page...

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

All Agency Funds

(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Balance October 1, 1999	Additions	Reductions	Balance September 30, 2000
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	217,617	11,825,154	11,790,196	252,575
Investments	70,070	66,416	86,663	49,823
Accounts Receivable	10	6	10	6
Interest and Dividends Receivable	426	-	426	-
Due from Other Funds	375	7,246	7,014	607
Other Assets	1	235	235	1
TOTAL ASSETS	**$ 288,499**	**$ 11,899,057**	**$ 11,884,544**	**$ 303,012**
LIABILITIES				
Warrants Payable	65,870	2,107,058	2,131,981	40,947
Accounts Payable	23,625	774,954	798,261	318
Due to Other Funds	4,946	6,093	5,835	5,204
Due to Other Governments	8,078	328,746	322,525	14,299
Deferred Revenue	878	1,456	876	1,458
Amounts Held Pending Distribution	18,555	9,046,332	8,967,152	97,735
Amounts Held in Custody for Others	166,547	1,809,222	1,832,718	143,051
TOTAL LIABILITIES	**$ 288,499**	**$ 14,073,861**	**$ 14,059,348**	**$ 303,012**

General Fixed Assets Account Group

The General Fixed Assets Account Group accounts for the land, buildings, improvements, and equipment of the Governmental Fund types. Fixed assets of Proprieta y Fund types, similar Trust funds and Higher Education Funds are accounted for within those funds.

SCHEDULE OF GENERAL FIXED ASSETS
By Function and Activity

September 30, 2000
(Amounts in Thousands)

Function and Activity	Land	Buildings	Equipment	Construction In Progress	Other Fixed Assets	Total General Fixed Assets
Economic Development and Regulation						
Agricultural	422	7,644	1,983	-	-	10,049
Forestry Commission	1,333	9,952	29,886	-	-	41,171
Geological	-	3,573	3,040	-	-	6,613
Other	237	369	4,904	-	-	5,510
Total Economic Development and Regulation	**1,992**	**21,538**	**39,813**	**0**	**0**	**63,343**
Education and Cultural Resources						
Education Department	-	-	8,581	-	-	8,581
Educational Television Commission	344	1,204	18,114	-	-	19,662
Public Library Service	138	1,695	1,637	-	6,797	10,267
Skills Centers	-	-	7,692	-	-	7,692
Youth Services	1,081	4,279	569	-	-	5,929
Other	7	410	5,413	-	2,472	8,302
Total Education and Cultural Resources	**1,570**	**7,588**	**42,006**	**0**	**9,269**	**60,433**
Natural Resources and Recreation						
Conservation and Natural Resources	19,919	7,677	24,193	1	1,077	52,867
Other	-	3	907	-	-	910
Total Natural Resources and Recreation	**19,919**	**7,680**	**25,100**	**1**	**1,077**	**53,777**
Health - Physical and Mental						
Environmental Management	-	12,244	13,274	-	-	25,518
Medicaid Agency	-	-	3,363	-	-	3,363
Public Health	3,274	39,381	32,581	-	-	75,236
Other	-	-	149	-	-	149
Total Health - Physical and Mental	**3,274**	**51,625**	**49,367**	**0**	**0**	**104,266**
Social Services						
Human Resources	-	34,002	35,938	-	-	69,940
Industrial Relations	1,229	4,095	16,171	-	-	21,495
Rehabilitation Services	65	632	14,255	-	-	14,952
Veterans Affairs	560	26,391	1,515	-	-	28,466
Other	648	117	1,366	-	3	2,134
Total Social Services	**2,502**	**65,237**	**69,245**	**0**	**3**	**136,987**
Protection of Persons and Property						
Agriculture and Industries	-	8,246	6,114	-	-	14,360
Corrections	5,613	212,877	22,121	5,491	-	246,102
Emergency Management	45	2,855	2,101	-	-	5,001
Forensic Sciences	76	2,883	12,142	-	16	15,117
Judicial	3,264	38,578	706	-	-	42,548
Military	5,005	164,981	1,838	4,674	-	176,498
Professional and Occupational Boards	-	-	3,441	-	-	3,441
Public Safety	3,735	11,803	48,743	-	-	64,281
Youth Services	5,545	21,956	2,918	-	-	30,419
Other	487	206	10,151	-	239	11,083
Total Protection of Persons and Property	**23,770**	**464,385**	**110,275**	**10,165**	**255**	**608,850**
Transportation						
Transportation Department	3,734	74,466	66,556	5,967	-	150,723
Other	-	-	1	-	-	1
Total Transportation	**3,734**	**74,466**	**66,557**	**5,967**	**0**	**150,724**
General Government						
Executive	1,624	3,598	22,840	-	1	28,063
Judicial	-	-	13,969	-	-	13,969
Legislative	-	-	5,607	-	-	5,607
Total General Government	**1,624**	**3,598**	**42,416**	**0**	**1**	**47,639**
Total General Fixed Assets	**$ 58,385**	**$ 696,117**	**$ 444,779**	**$ 16,133**	**$ 10,605**	**$1,226,019**

Higher Education Funds

Higher Education Funds account for the resources received and used in the operation of Athens State College, the State Fire College, the Industrial Development and Training Institute, and the Alabama College System, which consists of the two-year institutions of higher education.

COMBINING BALANCE SHEET
Higher Education Funds

September 30, 2000

(Amounts in Thousands)

	CURRENT FUNDS				
	Unrestricted General	Unrestricted Auxiliary	Restricted	Loan Funds	Endowment and Similar Funds
ASSETS					
Cash and Cash Equivalents	$ 32,068	$ 6,416	$ 618	$ 191	$ 277
Investments	32,138	2,348	53	-	7,765
Accounts Receivable	8,384	1,294	10,565	213	-
Mortgages, Notes, and Loans Receivable	1,218	-	-	-	37
Due from Other Funds	8,313	271	124	13	6
Inventory	728	6,434	-	-	-
Other Assets	27,314	523	693	-	-
Fixed Assets (Net of Accumulated Depreciation)	-	-	-	-	-
TOTAL ASSETS	**$ 110,163**	**$ 17,286**	**$ 12,053**	**$ 417**	**$ 8,085**
LIABILITIES, FUND BALANCES, AND OTHER CREDITS					
Liabilities					
Accounts Payable	$ 17,338	$ 714	$ 518	$ 6	$ -
Due to Other Funds	1,385	1,293	6,913	9	1
Deferred Revenue	2,157	-	686	-	-
Amounts Held in Custody for Others	39,176	593	-	-	-
Compensated Absences	8,432	-	-	-	-
Other Liabilities	-	-	-	-	-
Notes Payable	430	-	-	-	-
Revenue Bonds Payable	-	-	-	-	-
Capital Lease Obligations	-	-	-	-	-
Total Liabilities	**68,918**	**2,600**	**8,117**	**15**	**1**
Fund Balances and Other Credits					
Investment in Fixed Assets	-	-	-	-	-
Unreserved, Undesignated	36,868	13,660	1,827	217	78
Unreserved, Designated	4,377	1,026	-	185	5,176
Reserved for Endowment Funds	-	-	-	-	2,830
Reserved for Restricted Funds	-	-	2,109	-	-
Total Fund Balances and Other Credits	**41,245**	**14,686**	**3,936**	**402**	**8,084**
TOTAL LIABILITIES, FUND BALANCES, AND OTHER CREDITS	**$ 110,163**	**$ 17,286**	**$ 12,053**	**$ 417**	**$ 8,085**

	PLANT FUNDS					
Unexpended	Renewals and Replacements	Retirement of Indebtedness	Investment in Plant	Agency Funds	Totals
$ 10,529	$ 5,298	$ 653	$ -	$ 2,389	$ 58,439
16,290	4,554	306	-	319	63,773
65	23	-	-	135	20,679
-	-	-	-	-	1,255
661	477	-	-	19	9,884
-	-	-	-	-	7,162
2,759	-	16,057	-	-	47,346
1,406	-	-	692,807	-	694,213
$ 31,710	**$ 10,352**	**$ 17,016**	**$ 692,807**	**$ 2,862**	**$ 902,751**
$ 66	$ 26	$ 23	$ -	$ 257	$ 18,948
11	31	239	-	2	9,884
-	-	7	-	-	2,850
-	-	-	-	2,515	42,284
-	-	-	-	-	8,432
-	-	-	-	88	88
-	-	-	2,181	-	2,611
4,630	693	6,406	99,428	-	111,157
123	-	-	5,490	-	5,613
4,830	**750**	**6,675**	**107,099**	**2,862**	**201,867**
-	-	-	565,083	-	565,083
24,051	7,041	9,575	20,625	-	113,942
2,829	2,561	766	-	-	16,920
-	-	-	-	-	2,830
-	-	-	-	-	2,109
26,880	**9,602**	**10,341**	**585,708**	**0**	**700,884**
$ 31,710	**$ 10,352**	**$ 17,016**	**$ 692,807**	**$ 2,862**	**$ 902,751**

ALABAMA
TENNESSEE
TENNESSEE RIVER
MISSISSIPPI
GEORGIA
BLACK WARRIOR RIVER
COOSA RIVER
TALLAPOOSA RIVER
CAHABA R.
TOMBIGBEE RIVER
ALABAMA
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

Supplemental Statements and Schedules

This section presents schedules and statements which bring together information spread throughout the statements and presents this information in greater detail in order to provide more useable information or to demonstrate legal compliance.

SCHEDULE OF REVENUES BY PRINCIPAL SOURCES
Governmental Fund Types and Expendable Trust Funds (State Treasury Funds Only)
Cash Basis, Transfers Excluded
For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

TAXES		
General Sales Tax (4% on gross retail sale of merchandise)	1,520,660	12.5%
General Use Tax	184,621	1.5%
Income Tax (2% to 5% personal income, 5% net corporate income)	2,256,618	18.6%
Property Tax Relief (represents portion of Income Tax used to offset property taxes lost in certain funds due to homestead exemptions)	29,178	0.2%
General Property Tax (6 1/2 mills for state on varying rates not over 30%)	173,649	1.4%
Gasoline Taxes (.16 per gallon; .03 aviation; .01 jet)	385,236	3.2%
Utilities Tax (4% of gross receipts)	294,317	2.4%
Insurance Premium Tax (gross premium tax for privilege of operating in state)	191,830	1.6%
Liquor & Wine Tax (totals 46%, collected by ABC stores)	66,770	0.5%
Tobacco & Cigarette Taxes (8.25 mills per cigarette; varying amounts on cigars, smoking tobacco, snuff, etc.)	66,431	0.5%
Corporation Taxes (franchise, $3.00 per $1,000 capital; permit, entrance fees for filing)	84,751	0.7%
State Beer Tax (.05 per 12 oz.)	49,636	0.4%
Public Utilities (2.2%)	84,549	0.7%
Motor Fuel Tax (diesel .12 per gallon)	119,068	1.0%
Tennessee Valley Authority (payments in-lieu of all state taxes)	75,167	0.6%
Leasing / Renting Tangible Personal Property - (4% most items, 1.5% vehicles, 2% garments)	63,593	0.5%
Production Privilege Tax (Oil & Gas Severance at amounts varying 2-8%)	67,999	0.6%
Financial Institutions Excise Tax (6% of net income of banks and other financial institutions)	21,286	0.2%
Documentary Filing Taxes (auto title, deed, mortgage, securities, etc)	53,443	0.4%
Coal Severance Tax (0.335 per ton)	6,616	0.1%
Forestry Severance Tax	7,610	0.1%
Inheritance Tax (amount of federal credit)	66,763	0.5%
Contractors Gross Receipts Tax	24,266	0.2%
Lodgings Tax (4% or 5% of charge)	28,385	0.2%
Hydroelectric Companies (tax on 2/5 mill per kilowatt hour and 2.2% per dollar gross receipts)	977	0.0%
Lubricating Oil Tax (.06 per gallon)	2,056	0.0%
Pari-mutuel Betting (1 or 2% on pari-mutuel pools)	3,728	0.0%
Court Cost Taxes	26,140	0.2%
Medicaid Taxes	35,834	0.3%
Cellular Telephones (4%)	27,861	0.2%
Hazardous Waste	491	0.0%
Miscellaneous Taxes	5,640	0.0%
TOTAL TAXES	**6,025,169**	**49.5%**

LICENSES, PERMITS AND FEES		
Conservation Licenses (fishing, hunting, boat registration, etc)	17,784	0.1%
Drivers Licenses & Fees	40,487	0.3%
Petroleum Products Inspection Fees	69,296	0.6%
Agricultural License, Permits, Fees	6,632	0.1%
Wholesale Oil Company License	1,534	0.0%
Motor Vehicle License ($23.00 on auto; up to $845.00 on trucks and up to $210.00 on buses)	136,253	1.1%
Privilege License (fees for privilege of operating stores, factories, professions, businesses, etc)	46,790	0.4%
Court Fees	49,759	0.4%
Alcoholic Beverage Licenses	2,480	0.0%
Insurance Corporation Licenses and Fees	892	0.0%
Miscellaneous License, Permits, Fees	80,598	0.7%
TOTAL LICENSES, PERMITS, FEES	**452,505**	**3.7%**
FINES AND FORFEITS		
Court Fines & Forfeits	27,167	0.2%
Tobacco Settlement	77,424	0.6%
Miscellaneous Fines and Forfeits	4,477	0.0%
TOTAL FINES AND FORFEITS	**109,068**	**0.8%**
INVESTMENT INCOME	**167,675**	**1.4%**
FEDERAL REVENUES	**4,257,527**	**35.1%**
OTHER REVENUES		
Rents and Royalties	18,792	0.2%
Reimbursements	(26,558)	-0.2%
Sales of Property or Services	10,069	0.1%
Contributions	515,872	4.2%
Intragovernmental Services	188,446	1.5%
Local Revenues	16,795	0.1%
Miscellaneous Revenues	427,245	3.5%
TOTAL OTHER REVENUES	**1,150,661**	**9.5%**
TOTAL REVENUES	**$12,162,605**	**100.0%**

SCHEDULE OF REVENUES BY PRINCIPAL SOURCES AND DISTRIBUTIONS OF REVENUES
Governmental Fund Types and Expendable Trust Funds (State Treasury Funds Only)
Cash Basis, Transfers Excluded
For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Total Revenues	Administrative Expense	Net Revenues	Human Resources Funds	General Fund	Public School Funds	Education Trust Fund	Conservation Funds
TAXES								
General Sales Tax	$ 1,520,660	$ 28,127	$ 1,492,533	$ 19,399	$ 46,851	$ -	$ 1,328,332	$ -
General Use Tax	184,621	2,456	182,165	-	320	-	181,845	-
Income Tax	2,256,618	26,477	2,230,141	-	-	-	2,230,141	-
Property Tax Relief	29,178	-	29,178	4,309	11,941	12,928	-	-
General Property Tax	173,649	880	172,769	25,987	66,380	80,403	-	-
Gasoline Taxes	385,236	9,167	376,069	-	-	-	-	2,057
Utilities Tax	294,317	5,453	288,864	-	-	-	274,263	-
Insurance Premium Tax	191,830	-	191,830	-	153,993	-	30,993	-
Liquor & Wine Tax	66,770	-	66,770	23,950	31,995	-	-	-
Tobacco & Cigarette Taxes	66,431	68	66,363	3,862	23,181	-	21,939	-
Corporation Taxes	84,751	-	84,751	(537)	85,053	-	-	-
State Beer Tax	49,636	-	49,636	9,927	14,891	-	19,854	-
Public Utilities	84,549	-	84,549	-	12,699	-	-	-
Motor Fuel Tax	119,068	1,882	117,186	-	-	-	-	-
Tennessee Valley Authority	75,167	-	75,167	-	-	-	-	-
Leasing/Renting Personal Property	63,593	-	63,593	-	38,154	-	25,439	-
Production Privilege Tax	67,999	-	67,999	-	49,652	-	-	-
Financial Institutions Excise Tax	21,286	428	20,858	-	5,274	-	-	-
Documentary Filing Taxes	53,443	-	53,443	-	53,443	-	-	-
Coal Severance Tax	6,616	-	6,616	-	105	-	-	-
Forestry Severance Tax	7,610	158	7,452	-	-	-	-	-
Inheritance Tax	66,763	-	66,763	-	66,763	-	-	-
Contractors Gross Receipts Tax	24,266	56	24,210	3,631	-	-	-	-
Lodgings Tax	28,385	11	28,374	-	20,464	-	-	-
Hydroelectric Companies	977	4	973	-	-	-	409	-
Lubricating Oil Tax	2,056	6	2,050	-	711	-	-	-
Pari-mutuel Betting	3,728	-	3,728	-	3,728	-	-	-
Court Cost Taxes	26,140	-	26,140	-	8,366	-	-	-
Medicaid Provider Taxes	35,834	87	35,747	-	-	-	-	-
Cellular Telephone Tax	27,861	-	27,861	-	27,378	-	-	-
Hazardous Waste	491	-	491	-	(162)	-	-	-
Miscellaneous Taxes	5,640	-	5,640	1	2,668	3	-	-
TOTAL TAXES	**6,025,169**	**75,260**	**5,949,909**	**90,529**	**723,848**	**93,334**	**4,113,215**	**2,057**
LICENSES, PERMITS AND FEES								
Conservation Licenses	17,784	-	17,784	-	-	-	-	17,783
Drivers Licenses & Fees	40,487	-	40,487	-	35,423	-	-	-
Petroleum Products Inspection Fees	69,296	-	69,296	-	-	-	-	-
Agricultural License, Permits, Fees	6,632	-	6,632	-	-	-	-	-
Wholesale Oil Company License	1,534	-	1,534	-	1,534	-	-	-
Motor Vehicle License	136,253	11	136,242	-	37,310	-	-	-
Privilege License	46,790	907	45,883	-	7,263	-	460	-
Court Fees	49,759	-	49,759	-	35,590	-	-	-
Alcoholic Beverage Licenses	2,480	-	2,480	-	2,480	-	-	-
Insurance Corp Licenses and Fees	892	-	892	-	387	-	-	-
Miscellaneous License, Permits, Fees	80,598	103	80,495	380	3,124	-	-	75
TOTAL LICENSES, PERMITS, FEES	**452,505**	**1,021**	**451,484**	**380**	**123,111**	**0**	**460**	**17,858**
FINES AND FORFEITS								
Court Fines & Forfeits	27,167	-	27,167	-	18,590	-	-	-
Tobacco Settlement	77,424	-	77,424	-	20,031	-	-	-
Miscellaneous Fines and Forfeits	4,477	4	4,473	-	561	-	1	866
TOTAL FINES AND FORFEITS	**109,068**	**4**	**109,064**	**0**	**39,182**	**-**	**1**	**866**
INVESTMENT INCOME	**167,675**	**-**	**167,675**	**586**	**72,432**	**41**	**-**	**859**
FEDERAL REVENUES	**4,257,527**	**-**	**4,257,527**	**620,628**	**15**	**-**	**-**	**10,943**
Miscellaneous Revenues	1,150,661	1,904	1,148,757	61,245	1,162	631	182	4,828
TOTAL REVENUES	**$ 12,162,605**	**$ 78,189**	**$ 12,084,416**	**$ 773,368**	**$959,750**	**$94,006**	**$ 4,113,858**	**$ 37,411**

Distributed To Local Governments	Debt Service Funds	Agriculture and Industries	Medicaid	Transportation Department	Health General & Mental	Education Department	Economic & Community Affairs	Other	Distribution of Other Amounts
$ 3,352	$ 94,599	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
167,414	-	-	-	205,942	-	-	-	657	Aeronautics
-	-	-	-	-	14,600	-	-	-	
-	-	-	-	-	4,525	-	-	2,318	Insurance Dept
-	1,390	-	-	-	9,435	-	-	-	
-	10,557	-	-	-	2,962	-	-	3,862	State Parks
(218)	-	-	-	-	-	-	-	453	Secretary of State
4,964	-	-	-	-	-	-	-	-	
-	-	-	-	-	71,850	-	-	-	
-	-	-	-	117,186	-	-	-	-	
60,134	15,033	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
18,029	-	-	-	-	-	-	-	317	
15,583	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
3,885	-	-	-	-	-	-	-	2,626	State Port Authority
-	-	-	-	-	-	-	-	7,452	Forestry
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	20,578	-	-	-	
1,090	-	-	-	-	-	-	-	6,820	Tourism & Travel
-	-	-	-	-	565	-	-	-	
736	-	-	-	602	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	2,608	-	15,165	Fair Trial Fd 12.8M
-	-	-	35,747	-	-	-	-	-	
-	483	-	-	-	-	-	-	-	
42	-	-	-	-	500	-	-	111	
-	-	-	-	66	-	-	-	2,903	Industrial Relations
275,011	**122,062**	**0**	**35,747**	**323,796**	**125,015**	**2,608**	**0**	**42,684**	
-	-	-	-	-	-	-	-	1	
-	-	-	-	-	-	-	-	5,063	Public Safety
11,303	-	2,100	-	55,893	-	-	-	-	
-	-	6,632	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
19,004	-	-	-	78,749	-	-	-	1,178	
-	-	71	-	3,987	1,865	1,412	-	30,825	
-	-	-	-	-	139	-	-	14,030	AOC 6.2M
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	505	Insurance Dept
-	-	-	-	1,612	23,377	-	9	51,917	ADEM 29.8; PSC 12.5
30,307	**0**	**8,803**	**0**	**140,241**	**25,381**	**1,412**	**9**	**103,519**	
-	-	-	-	-	-	-	1,409	7,169	
-	-	-	-	-	-	-	-	57,393	Children First 48.7M
11	-	88	667	-	4	-	-	2,274	
11	**0**	**88**	**667**	**0**	**4**	**0**	**1,409**	**66,836**	
-	**3,553**	**73**	**493**	**1,992**	**73**	**-**	**(1)**	**87,574**	Def Comp/IRA 50; PSCA 30
774	**-**	**1,930**	**2,010,664**	**537,884**	**192,892**	**495,138**	**145,409**	**241,249**	Rehab 51; EMA 58; DIR 46
6	-	389	625,853	15,680	291,736	6,779	564	139,702	
$ 306,109	**$125,615**	**$ 11,283**	**$ 2,673,424**	**$ 1,019,593**	**$ 635,101**	**$ 505,937**	**$ 147,390**	**$ 681,564**	

SCHEDULE OF EXPENDITURES BY FUNCTION AND DEPARTMENT
All Governmental Fund Types, Expendable Trust Funds, and Discretely Presented Component Units

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Amount	Percent of Total
Economic Development and Regulation		
Agriculture and Industries	2,138	
Agriculture Center Board	1,114	
Economic and Community Affairs	812	
Forestry Commission	27,337	
Geological Survey	3,419	
Insurance	7,842	
Manufactured Housing Commission	1,619	
Oil And Gas Board	2,138	
Public Service Commission	8,963	
Securities Commission	2,010	
Other	1,765	
Total Economic Development and Regulation	**59,157**	**0.5%**
Education and Cultural Resources		
Education	3,326,535	
Other	158,131	
Total Education and Cultural Resources	**3,484,666**	**30.0%**
Natural Resources and Recreation		
Agriculture and Conservation Development Commission	1,993	
Conservation and Natural Resources	35,094	
Soil and Water Conservation Commission	2,302	
Tourism and Travel	8,747	
Other	1,285	
Total Natural Resources and Recreation	**49,421**	**0.4%**
Health - Physical and Mental		
Environmental Management	46,945	
Medicaid Agency	2,850,780	
Mental Health And Retardation	447,388	
Public Health	351,785	
Other	1,948	
Total Health - Physical and Mental	**3,698,846**	**31.9%**
Social Services		
Economic and Community Affairs	41,976	
Education	27,875	
Human Resources	855,290	
Industrial Relations	280,664	
Rehabilitation Services	90,747	
Senior Services	33,365	
Veterans Affairs	23,508	
Other	13,342	
Total Social Services	**1,366,767**	**11.8%**

Continued on next page...

	Amount	Percent of Total
Protection of Persons and Property		
Agriculture and Industries	20,463	
Attorney General	10,713	
Corrections	198,263	
Criminal Justice Information Center	6,437	
Economic and Community Affairs	29,441	
Emergency Management	62,765	
Finance Special Appropriations	6,996	
Forensic Sciences	13,431	
Industrial Relations	8,867	
Military	15,140	
Pardons And Paroles	18,872	
Public Safety	74,294	
Youth Services	58,066	
Other	34,392	
Total Protection of Persons and Property	**558,140**	**4.8%**
Transportation		
Transportation	961,556	
Other	949	
Total Transportation	**962,505**	**8.3%**
General Government		
Administrative Office Of Courts	112,097	
Crime Victims Compensation Commission	8,219	
District Attorneys	20,698	
Economic and Community Affairs	102,601	
Examiners Of Public Accounts	15,767	
Finance	7,771	
Finance Special Appropriations	41,630	
Governor	4,800	
Legislature	15,462	
Personnel	4,996	
Retirement Systems Of Alabama	29,050	
Revenue	77,767	
Supreme Court	7,050	
Other	31,613	
Total General Government	**479,521**	**4.1%**
Capital Outlay		
Alabama Revolving Loan Fund Authority	11,805	
Incentives Financing Authority	17,711	
Military	4,951	
Public School and College Authority	241,141	
Twenty-first Century Authority	41,021	
Other	2,920	
Total Capital Outlay	**319,549**	**2.8%**

Continued on next page...

SCHEDULE OF EXPENDITURES BY FUNCTION AND DEPARTMENT
All Governmental Fund Types, Expendable Trust Funds, and Discretely Presented Component Units
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	Amount	Percent of Total
Debt Service		
Corrections Institute Finance Authority	6,713	
Debt Service And Reserve	16,455	
Human Resources	4,216	
Incentives Financing Authority	89,923	
Industrial Access Road and Bridge Authority	4,404	
Judicial Building Authority	3,972	
Mental Health Finance Authority	7,676	
Public Safety	3,220	
Public School and College Authority	133,756	
State Industrial Development Authority	3,590	
Transportation	22,736	
Other	6,776	
Total Debt Service	**303,437**	**2.6%**
Distributions To Cities		
ABC Two Percent State Sales Tax	2,498	
City and County Auto License 7%	731	
Financial Institutions Excise Tax-Local Share	10,374	
Four Cents Gas and Luboil Tax, Act 80-427	7,884	
Gas Tax-City And County	9,762	
IRP Receipts - Local Share	1,569	
Municipal Government Capital Improvement Fund	7,659	
Petroleum Commodities Inspection Fees-Local Share	1,936	
Production Privilege	1,929	
Other	365	
Total Distributions To Cities	**44,707**	**0.4%**
Distributions To Counties		
ABC Two Percent State Sales Tax	869	
Additional Truck Tag License Distribution Account	10,382	
Beer Tax - Local Share	4,964	
City and County Auto License 7%	4,538	
County Government Capital Improvement Fund	7,660	
Financial Institutions Excise Tax-Local Share	5,209	
Four Cents Gas and Luboil Tax, Act 80-427	70,375	
Gas Tax-City And County	80,128	
IRP Receipts - Local Share	1,426	
Lodgings Tax-North Alabama	1,093	
Municipal And County Coal Tax	3,520	
Non-TVA Served Dry County and City Distribution	3,758	
Petroleum Commodities Inspection Fees-Local Share	9,405	
Production Privilege	16,100	
State Port Authority Bulk Handling Facilities Trust Fund	1,500	
TVA-Served Counties Distributions	56,375	
U.S Forestry Reserve	774	
Other	195	
Total Distributions To Counties	**278,271**	**2.4%**
	$11,604,987	**100.0%**

STATE OF ALABAMA

SCHEDULE OF FEDERAL REVENUES BY AGENCY
All Funds Except Higher Education

For the Fiscal Year Ended September 30, 2000
(Amounts in Thousands)

Agency	
Administrative Office Of Courts	685
Aeronautics	231
Agriculture and Industries	1,940
Alcoholic Beverage Control Board	1
Attorney General	747
Child Abuse and Neglect Prevention	1,329
Children's Affairs	108
Commission On Higher Education	1,198
Conservation and Natural Resources	10,974
Corrections	1,042
Council On The Arts	551
Crime Victims Compensation Commission	842
Criminal Justice Information Center	1,134
Development Office	15
Drinking Water Finance Authority	9,340
Economic and Community Affairs	149,425
Education	508,623
Educational Television Commission	1,185
Emergency Management	57,812
Environmental Management	15,362
ETV Foundation Authority	1,321
Farmers' Market Authority	29
Finance Special Funds	774
Forensic Sciences	224
Forestry Commission	2,937
Geological Survey	395
High School Of Math and Science	21
Historical Commission	592
Human Resources	619,797
Indian Affairs Commission	19
Industrial Relations	67,728
Labor	129
Manufactured Housing Commission	332
Medicaid Agency	1,976,244
Mental Health And Retardation	32,634
Military	14,769
Office Of National And Community Service	1,261
Public Health	159,743
Public Library Service	2,278
Public Safety	7,959
Public Service Commission	435
Rehabilitation Services	53,250
School Of Fine Arts	92
Senior Services	17,914
Skills Centers	17,478
Surface Mining Commission	836
Transportation	537,884
Veterans Affairs	5,982
Water Pollution Control Authority	21,628
Total Federal Revenues	**$ 4,307,229**

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
EXPENDITURES:			
ADMINISTRATIVE OFFICE OF COURTS			
Administrative Services	3,676	3,676	-
Court Equipment/Security	922	920	2
Court Operations	90,529	90,525	4
DUI Court Referral	66	66	-
Fringe Benefits	545	545	-
Judicial Building Operations	3,982	3,979	3
Juvenile Probation Officer Services	-	-	-
TOTAL ADMINISTRATIVE OFFICE OF COURTS	**99,720**	**99,711**	**9**
AGRICULTURE AND INDUSTRIES			
Administrative Services	1,894	1,894	-
Agricultural Development Services	1,717	1,715	2
Agricultural Inspection Services	5,961	5,961	-
Capital Outlay	200	-	200
Lab Analysis and Disease Control	3,062	3,062	-
TOTAL AGRICULTURE AND INDUSTRIES	**12,834**	**12,632**	**202**
ATTORNEY GENERAL			
Fair Marketing Practices: Consumer Protection	673	673	-
Legal Advice and Legal Service: Attorney General - Operations	8,314	8,313	1
Legal Advice and Legal Service: Consumer Utility Fund	250	250	-
TOTAL ATTORNEY GENERAL	**9,237**	**9,236**	**1**
AUDITOR			
Fiscal Management	877	854	23
TOTAL AUDITOR	**877**	**854**	**23**
COMMISSION ON HIGHER EDUCATION			
Alabama Guaranteed Student Loan	-	-	-
Planning And Coordination Services	-	-	-
Student Financial Aid	-	-	-
Support - Other Educational Activities	-	-	-
TOTAL COMMISSION ON HIGHER EDUCATION	**-**	**-**	**-**
CORRECTIONS			
Administration Service and Logistical Supply	9,371	9,278	93
Capital Outlay	1,000	-	1,000
Correctional Industries	-	-	-
Institutional Service Corrections	164,607	164,188	419
TOTAL CORRECTIONS	**174,978**	**173,466**	**1,512**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	1,652	1,345	307	5,328	5,021	307
-	-	-	-	-	-	922	920	2
-	-	-	11,054	9,438	1,616	101,583	99,963	1,620
-	-	-	-	-	-	66	66	-
-	-	-	-	-	-	545	545	-
-	-	-	-	-	-	3,982	3,979	3
-	-	-	1,257	919	338	1,257	919	338
-	**-**	**-**	**13,963**	**11,702**	**2,261**	**113,683**	**111,413**	**2,270**
-	-	-	1,259	1,154	105	3,153	3,048	105
-	-	-	638	588	50	2,355	2,303	52
-	-	-	8,077	6,318	1,759	14,038	12,279	1,759
-	-	-	-	-	-	200	-	200
-	-	-	2,453	2,146	307	5,515	5,208	307
-	**-**	**-**	**12,427**	**10,206**	**2,221**	**25,261**	**22,838**	**2,423**
-	-	-	-	-	-	673	673	-
-	-	-	2,202	1,236	966	10,516	9,549	967
-	-	-	-	-	-	250	250	-
-	**-**	**-**	**2,202**	**1,236**	**966**	**11,439**	**10,472**	**967**
-	-	-	-	-	-	877	854	23
-	**-**	**-**	**-**	**-**	**-**	**877**	**854**	**23**
-	-	-	1,805	1,445	360	1,805	1,445	360
2,663	2,462	201	-	-	-	2,663	2,462	201
8,432	8,240	192	2,619	1,127	1,492	11,051	9,367	1,684
2,356	2,351	5	1,146	838	308	3,502	3,189	313
13,451	**13,053**	**398**	**5,570**	**3,410**	**2,160**	**19,021**	**16,463**	**2,558**
-	-	-	-	-	-	9,371	9,278	93
-	-	-	2,460	48	2,412	3,460	48	3,412
-	-	-	19,097	13,179	5,918	19,097	13,179	5,918
-	-	-	31,051	29,144	1,907	195,658	193,332	2,326
-	**-**	**-**	**52,608**	**42,371**	**10,237**	**227,586**	**215,837**	**11,749**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
ECONOMIC AND COMMUNITY AFFAIRS			
Administrative Support Service	239	211	28
Capital Outlay	414	414	-
Economic Development & Regulation Revolving Loan Committee	250	250	-
Energy Management	1,510	1,480	30
Law Enforcement Planning and Development	438	405	33
PALS/Adopt-A-Mile	150	150	-
Planning	18,744	18,269	475
Skills Enhancement/Employment Opportunities	1,895	1,891	4
Surplus Property	384	380	4
Water Resources	1,186	1,092	94
TOTAL ECONOMIC AND COMMUNITY AFFAIRS	**25,210**	**24,542**	**668**
EDUCATION			
Administrative Services	-	-	-
Adult Education	-	-	-
Alabama Science In Motion	-	-	-
At-Risk Program	-	-	-
Board of Adjustment	-	-	-
Capital Outlay	-	-	-
Community Education	-	-	-
Disability Determination for Social Security	-	-	-
Endowment Interest Program-PSF	-	-	-
Financial Assistance	-	-	-
Foundation Program	-	-	-
Hold Harmless Program-PSF	-	-	-
Non-State Special Education Schools	-	-	-
Salary Matrix Adjustment	-	-	-
Support - Other Educational Activities	-	-	-
Transportation Program	-	-	-
TOTAL EDUCATION	**-**	**-**	**-**
EMERGENCY MANAGEMENT AGENCY			
Readiness and Recovery	1,281	1,243	38
Readiness and Recovery-FEMA	3,183	3,105	78
TOTAL EMERGENCY MANAGEMENT AGENCY	**4,464**	**4,348**	**116**
EXAMINERS OF PUBLIC ACCOUNTS			
Legislative Support - Audit Service	11,629	11,629	-
TOTAL EXAMINERS OF PUBLIC ACCOUNTS	**11,629**	**11,629**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	7,516	5,686	1,830	7,755	5,897	1,858
-	-	-	-	-	-	414	414	-
-	-	-	-	-	-	250	250	-
-	-	-	3,952	2,541	1,411	5,462	4,021	1,441
-	-	-	31,078	28,334	2,744	31,516	28,739	2,777
-	-	-	-	-	-	150	150	-
-	-	-	90,637	74,287	16,350	109,381	92,556	16,825
-	-	-	63,055	40,936	22,119	64,950	42,827	22,123
-	-	-	5,813	2,700	3,113	6,197	3,080	3,117
-	-	-	50	-	50	1,236	1,092	144
-	**-**	**-**	**202,101**	**154,484**	**47,617**	**227,311**	**179,026**	**48,285**
34,573	34,548	25	49,500	23,369	26,131	84,073	57,917	26,156
5,940	5,940	-	11,690	8,323	3,367	17,630	14,263	3,367
-	-	-	3,058	2,702	356	3,058	2,702	356
31,747	31,747	-	-	-	-	31,747	31,747	-
600	599	1	-	-	-	600	599	1
-	-	-	76,897	76,897	-	76,897	76,897	-
1,397	1,396	1	896	470	426	2,293	1,866	427
-	-	-	42,292	28,204	14,088	42,292	28,204	14,088
-	-	-	533	-	533	533	-	533
25,667	25,083	584	529,590	451,080	78,510	555,257	476,163	79,094
2,462,045	2,462,045	-	-	-	-	2,462,045	2,462,045	-
-	-	-	12,103	12,103	-	12,103	12,103	-
5,118	5,100	18	-	-	-	5,118	5,100	18
16,615	16,615	-	-	-	-	16,615	16,615	-
2,310	2,303	7	-	-	-	2,310	2,303	7
180,123	179,986	137	-	-	-	180,123	179,986	137
2,766,135	**2,765,362**	**773**	**726,559**	**603,148**	**123,411**	**3,492,694**	**3,368,510**	**124,184**
-	-	-	25,457	22,613	2,844	26,738	23,856	2,882
-	-	-	53,646	35,619	18,027	56,829	38,724	18,105
-	**-**	**-**	**79,103**	**58,232**	**20,871**	**83,567**	**62,580**	**20,987**
2,797	2,797	-	2,102	1,308	794	16,528	15,734	794
2,797	**2,797**	**-**	**2,102**	**1,308**	**794**	**16,528**	**15,734**	**794**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
FINANCE			
Administrative Support Service	-	-	-
Administrative Support Service: Alabama Building Renovation Finance Authority	-	-	-
Administrative Support Service: Capital Complex M & R	-	-	-
Administrative Support Service: Capitol Police	1,471	1,203	268
Administrative Support Service: Legal Division	365	328	37
Administrative Support Service: Personnel/Space Management	276	186	90
Administrative Support Service: Purchasing	1,437	1,290	147
Administrative Support Service: Service Division	847	731	116
Fiscal Management	-	-	-
Fiscal Management: Budget Office	1,147	946	201
Fiscal Management: Comptroller's Office	3,065	2,978	87
TOTAL FINANCE	**8,608**	**7,662**	**946**
GOVERNOR			
Criminal Investigation: Law Enforcement Fund	137	41	96
Executive Direction: Governor's Contingency Fund	886	881	5
Executive Direction: Governor's Mansion	414	408	6
Executive Direction: Governor's Office	2,906	2,905	1
Executive Direction: Governor's Proclamation Expense	700	376	324
Executive Direction: National Governors' Conference	199	170	29
TOTAL GOVERNOR	**5,242**	**4,781**	**461**
HUMAN RESOURCES			
Human Services	-	-	-
TOTAL HUMAN RESOURCES	**-**	**-**	**-**
INDUSTRIAL RELATIONS			
Administrative Services	-	-	-
Capital Outlay	-	-	-
Employment Security	-	-	-
Industrial Safety and Accident Prevention	692	692	-
Regulation Workers Compensation	-	-	-
TOTAL INDUSTRIAL RELATIONS	**692**	**692**	**-**
LEGISLATURE			
Capital Outlay	2,702	239	2,463
Legislative Operations and Support	15,438	15,157	281
TOTAL LEGISLATURE	**18,140**	**15,396**	**2,744**
MEDICAID AGENCY			
Medical Assistance Through Medicaid	244,624	244,131	493
TOTAL MEDICAID AGENCY	**244,624**	**244,131**	**493**
MENTAL HEALTH AND RETARDATION			
Administrative Services	-	-	-
Institutional Treatment and Care of Mentally Ill	-	-	-
Institutional Treatment and Care of Mentally Retarded	-	-	-
Substance Abuse Program	-	-	-
TOTAL MENTAL HEALTH AND RETARDATION	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	78,464	63,851	14,613	78,464	63,851	14,613
-	-	-	9,055	6,192	2,863	9,055	6,192	2,863
-	-	-	8,486	6,849	1,637	8,486	6,849	1,637
-	-	-	-	-	-	1,471	1,203	268
-	-	-	-	-	-	365	328	37
-	-	-	-	-	-	276	186	90
-	-	-	-	-	-	1,437	1,290	147
-	-	-	-	-	-	847	731	116
-	-	-	2,124	1,228	896	2,124	1,228	896
-	-	-	-	-	-	1,147	946	201
-	-	-	-	-	-	3,065	2,978	87
-	**-**	**-**	**98,129**	**78,120**	**20,009**	**106,737**	**85,782**	**20,955**
-	-	-	-	-	-	137	41	96
-	-	-	-	-	-	886	881	5
-	-	-	-	-	-	414	408	6
-	-	-	-	-	-	2,906	2,905	1
-	-	-	-	-	-	700	376	324
-	-	-	-	-	-	199	170	29
-	**-**	**-**	**-**	**-**	**-**	**5,242**	**4,781**	**461**
-	-	-	865,531	849,598	15,933	865,531	849,598	15,933
-	**-**	**-**	**865,531**	**849,598**	**15,933**	**865,531**	**849,598**	**15,933**
-	-	-	18,747	16,429	2,318	18,747	16,429	2,318
-	-	-	500	-	500	500	-	500
-	-	-	48,187	42,081	6,106	48,187	42,081	6,106
-	-	-	5,515	3,500	2,015	6,207	4,192	2,015
-	-	-	5,206	4,203	1,003	5,206	4,203	1,003
-	**-**	**-**	**78,155**	**66,213**	**11,942**	**78,847**	**66,905**	**11,942**
-	-	-	-	-	-	2,702	239	2,463
-	-	-	-	-	-	15,438	15,157	281
-	**-**	**-**	**-**	**-**	**-**	**18,140**	**15,396**	**2,744**
-	-	-	2,638,919	2,605,928	32,991	2,883,543	2,850,059	33,484
-	**-**	**-**	**2,638,919**	**2,605,928**	**32,991**	**2,883,543**	**2,850,059**	**33,484**
-	-	-	17,427	15,914	1,513	17,427	15,914	1,513
-	-	-	234,257	228,774	5,483	234,257	228,774	5,483
-	-	-	179,881	174,346	5,535	179,881	174,346	5,535
-	-	-	37,226	30,598	6,628	37,226	30,598	6,628
-	**-**	**-**	**468,791**	**449,632**	**19,159**	**468,791**	**449,632**	**19,159**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
POSTSECONDARY EDUCATION			
Firefighters-Fire College: Firefighters/Fire College	-	-	-
Industrial Training: AIDT/Development Program	-	-	-
Industrial Training: AIDT/Training Program	-	-	-
Postsecondary Administration	-	-	-
Postsecondary Administration: Postsecondary/Chancellor's	-	-	-
Postsecondary-Junior Colleges: Central Alabama Community College	-	-	-
Postsecondary-Junior Colleges: Environmental Consortium	-	-	-
Postsecondary-Junior Colleges: Two Year Colleges/Operations and Maintenance	-	-	-
Postsecondary-Junior Colleges: Two Year/Critical Needs	-	-	-
Postsecondary-Junior Colleges: Wallace-Selma/Small Business	-	-	-
Postsecondary-Prison Education: Prison Education-Operations and Maintenance	-	-	-
Postsecondary-Technical Colleges	-	-	-
Support of State Universities: Athens State - Operations and Maintenance	-	-	-
Support of State Universities: Athens/Inservice Center	-	-	-
TOTAL POSTSECONDARY EDUCATION	**-**	**-**	**-**
PUBLIC HEALTH			
Administrative Services	13,060	13,060	-
Children's Health Insurance	-	-	-
Family Practice Rural Health	-	-	-
Health Support Services	25,187	25,187	-
Personal Health Services	7,256	7,256	-
TOTAL PUBLIC HEALTH	**45,503**	**45,503**	**-**
PUBLIC SAFETY			
Administrative Services	20,353	20,347	6
Police Services	27,607	27,604	3
Public Safety Support Services	12,511	12,488	23
Readiness and Recovery	200	36	164
TOTAL PUBLIC SAFETY	**60,671**	**60,475**	**196**
PUBLIC SERVICE COMMISSION			
Administrative Services	-	-	-
Regulatory Services	-	-	-
TOTAL PUBLIC SERVICE COMMISSION	**-**	**-**	**-**
REHABILITATION SERVICES			
Direct Client Services-Handicap	1,972	1,972	-
TOTAL REHABILITATION SERVICES	**1,972**	**1,972**	**-**
REVENUE			
State Revenue Administration	77	57	20
TOTAL REVENUE	**77**	**57**	**20**

Education Trust Fund			Earmarked Funds			Total		
Budget	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
4,294	4,294	-	-	-	-	4,294	4,294	-
13,491	13,491	-	-	-	-	13,491	13,491	-
3,063	3,063	-	-	-	-	3,063	3,063	-
-	-	-	326	290	36	326	290	36
2,877	2,877	-	-	-	-	2,877	2,877	-
100	100	-	-	-	-	100	100	-
250	250	-	-	-	-	250	250	-
209,251	209,251	-	-	-	-	209,251	209,251	-
1,157	1,157	-	-	-	-	1,157	1,157	-
150	150	-	-	-	-	150	150	-
8,321	8,321	-	-	-	-	8,321	8,321	-
-	-	-	1,800	1,599	201	1,800	1,599	201
8,359	8,359	-	-	-	-	8,359	8,359	-
216	216	-	-	-	-	216	216	-
251,529	**251,529**	**-**	**2,126**	**1,889**	**237**	**253,655**	**253,418**	**237**
-	-	-	17,572	6,558	11,014	30,632	19,618	11,014
-	-	-	51,400	34,786	16,614	51,400	34,786	16,614
1,090	968	122	-	-	-	1,090	968	122
12,504	12,504	-	159,745	118,137	41,608	197,436	155,828	41,608
4,655	4,655	-	146,492	133,516	12,976	158,403	145,427	12,976
18,249	**18,127**	**122**	**375,209**	**292,997**	**82,212**	**438,961**	**356,627**	**82,334**
-	-	-	1,822	1,535	287	22,175	21,882	293
-	-	-	19,498	12,841	6,657	47,105	40,445	6,660
-	-	-	5,387	4,669	718	17,898	17,157	741
-	-	-	-	-	-	200	36	164
-	**-**	**-**	**26,707**	**19,045**	**7,662**	**87,378**	**79,520**	**7,858**
-	-	-	7,482	6,777	705	7,482	6,777	705
-	-	-	5,659	5,344	315	5,659	5,344	315
-	**-**	**-**	**13,141**	**12,121**	**1,020**	**13,141**	**12,121**	**1,020**
27,836	27,836	-	91,793	78,321	13,472	121,601	108,129	13,472
27,836	**27,836**	**-**	**91,793**	**78,321**	**13,472**	**121,601**	**108,129**	**13,472**
-	-	-	84,277	81,010	3,267	84,354	81,067	3,287
-	**-**	**-**	**84,277**	**81,010**	**3,267**	**84,354**	**81,067**	**3,287**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
SECRETARY OF STATE			
Administrative Support Service	-	-	-
Administrative Support Service: Dist Public Documents	305	273	32
Administrative Support Service: Printing of Acts/Journals	443	224	219
Administrative Support Service: Printing of Codes	121	40	81
Administrative Support Service: Secretary of State	1,138	1,137	1
Special Services: Training Elected Officials	73	40	33
TOTAL SECRETARY OF STATE	**2,080**	**1,714**	**366**
TRANSPORTATION			
Appropriation Transfers	-	-	-
Captive County Health Insurance	-	-	-
Central Administration	-	-	-
Construction-Federal Aid Programs	-	-	-
Construction-State Programs	-	-	-
Debt Service	-	-	-
Debt Service, General Obligation Bonds	-	-	-
Division and District Supervision	-	-	-
Maintenance	-	-	-
Operations and Support Service	-	-	-
Other Equipment Purchases	-	-	-
TOTAL TRANSPORTATION	**-**	**-**	**-**
TREASURER			
Fiscal Management	2,705	2,610	95
Special Services	-	-	-
TOTAL TREASURER	**2,705**	**2,610**	**95**
YOUTH SERVICES			
Community Educational Programs	-	-	-
Financial Assistance	-	-	-
Youth Services	18,588	18,165	423
Youth Services-Boot Camps	4,075	3,857	218
TOTAL YOUTH SERVICES	**22,663**	**22,022**	**641**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	1,389	946	443	1,389	946	443
-	-	-	-	-	-	305	273	32
-	-	-	-	-	-	443	224	219
-	-	-	-	-	-	121	40	81
-	-	-	-	-	-	1,138	1,137	1
-	-	-	-	-	-	73	40	33
-	**-**	**-**	**1,389**	**946**	**443**	**3,469**	**2,660**	**809**
-	-	-	3,500	3,500	-	3,500	3,500	-
-	-	-	130	128	2	130	128	2
-	-	-	44,531	43,673	858	44,531	43,673	858
-	-	-	2,084,485	681,715	1,402,770	2,084,485	681,715	1,402,770
-	-	-	167,614	63,708	103,906	167,614	63,708	103,906
-	-	-	4,404	4,404	-	4,404	4,404	-
-	-	-	22,736	22,736	-	22,736	22,736	-
-	-	-	37,753	36,092	1,661	37,753	36,092	1,661
-	-	-	195,268	139,516	55,752	195,268	139,516	55,752
-	-	-	12,196	11,412	784	12,196	11,412	784
-	-	-	6,336	5,581	755	6,336	5,581	755
-	**-**	**-**	**2,578,953**	**1,012,465**	**1,566,488**	**2,578,953**	**1,012,465**	**1,566,488**
-	-	-	5,555	4,082	1,473	8,260	6,692	1,568
10	-	10	-	-	-	10	-	10
10	**-**	**10**	**5,555**	**4,082**	**1,473**	**8,270**	**6,692**	**1,578**
4,592	4,592	-	250	250	-	4,842	4,842	-
6,803	6,151	652	619	461	158	7,422	6,612	810
37,197	35,344	1,853	2,429	1,120	1,309	58,214	54,629	3,585
-	-	-	-	-	-	4,075	3,857	218
48,592	**46,087**	**2,505**	**3,298**	**1,831**	**1,467**	**74,553**	**69,940**	**4,613**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
COLLEGES AND UNIVERSITIES			
Alabama Agricultural and Mechanical University			
Support of State Universities	-	-	-
Support of State Universities: ACES-System Personnel Costs	-	-	-
Support of State Universities: Agriculture Research Station Fixed Costs	-	-	-
Support of State Universities: Alabama A&M-Operations and Maintenance	-	-	-
Support of State Universities: Alabama A&M: Desegregation Planning	-	-	-
Support of State Universities: Alabama A&M:In-Service Center	-	-	-
Support of State Universities: Alabama A&M:Miles College	-	-	-
Support of State Universities: Title VI Program Enhancement	-	-	-
Support of State Universities: Urban Affairs and Non-Trade Program	-	-	-
Total Alabama Agricultural and Mechanical University	**-**	**-**	**-**
Alabama Institute for the Deaf and Blind			
AIDB Adult Programs	-	-	-
AIDB Children and Youth Programs	-	-	-
AIDB Industries for Blind	-	-	-
Total Alabama Institute for the Deaf and Blind	**-**	**-**	**-**
Alabama State University			
Support of State Universities: Alabama State University - Desegregation Planning	-	-	-
Support of State Universities: Alabama State University-Operations and Maintenance	-	-	-
Support of State Universities: Alabama State University:In-Service Center	-	-	-
Support of State Universities: ASU-Cooperative Effort For Community Education	-	-	-
Support of State Universities: Title VI Program Enhancement	-	-	-
Total Alabama State University	**-**	**-**	**-**
Auburn University			
Support of State Universities	-	-	-
Support of State Universities: Auburn University - Inservice Center	-	-	-
Support of State Universities: Auburn University System-Operations and Maintenance	-	-	-
Support of State Universities: Auburn/Agriculture Experiment Station	-	-	-
Support of State Universities: Auburn/Cooperative Extension Service	-	-	-
Support of State Universities: Auburn/Technology Network	-	-	-
Total Auburn University	**-**	**-**	**-**
Jacksonville State University			
Support of State Universities: Jacksonville State University-Operations and Maintenance	-	-	-
Support of State Universities: Jacksonville-In Service Center	-	-	-
Total Jacksonville State University	**-**	**-**	**-**
Troy State University			
Support of State Universities	-	-	-
Support of State Universities: Troy State University System-Operations and Maintenance	-	-	-
Support of State Universities: Troy State University/Inservice Center	-	-	-
Total Troy State University	**-**	**-**	**-**
University Of Alabama - Birmingham			
Support - Other Educational Activities: UAB-In Service	-	-	-
Support of State Universities	-	-	-
Support of State Universities: Chauncey Sparks Center/UAB	-	-	-
Support of State Universities: UAB/House/Special Projects	-	-	-
Support of State Universities: University Of Alabama-Birmingham-Operations and Maintenance	-	-	-
Total University Of Alabama - Birmingham	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
678	678	-	-	-	-	678	678	-
925	925	-	-	-	-	925	925	-
300	300	-	-	-	-	300	300	-
25,720	25,720	-	-	-	-	25,720	25,720	-
185	185	-	-	-	-	185	185	-
299	299	-	-	-	-	299	299	-
1,570	1,570	-	-	-	-	1,570	1,570	-
570	570	-	-	-	-	570	570	-
1,611	1,611	-	-	-	-	1,611	1,611	-
31,858	**31,858**	**-**	**-**	**-**	**-**	**31,858**	**31,858**	**-**
7,481	7,481	-	-	-	-	7,481	7,481	-
20,194	20,194	-	-	-	-	20,194	20,194	-
5,166	5,166	-	-	-	-	5,166	5,166	-
32,841	**32,841**	**-**	**-**	**-**	**-**	**32,841**	**32,841**	**-**
185	185	-	-	-	-	185	185	-
26,799	26,799	-	-	-	-	26,799	26,799	-
231	231	-	-	-	-	231	231	-
400	400	-	-	-	-	400	400	-
1,657	1,657	-	-	-	-	1,657	1,657	-
29,272	**29,272**	**-**	**-**	**-**	**-**	**29,272**	**29,272**	**-**
18,416	18,416	-	-	-	-	18,416	18,416	-
235	235	-	-	-	-	235	235	-
128,006	128,006	-	-	-	-	128,006	128,006	-
22,908	22,908	-	-	-	-	22,908	22,908	-
25,579	25,579	-	-	-	-	25,579	25,579	-
1,750	1,750	-	-	-	-	1,750	1,750	-
196,894	**196,894**	**-**	**-**	**-**	**-**	**196,894**	**196,894**	**-**
27,901	27,901	-	-	-	-	27,901	27,901	-
226	226	-	-	-	-	226	226	-
28,127	**28,127**	**-**	**-**	**-**	**-**	**28,127**	**28,127**	**-**
400	400	-	-	-	-	400	400	-
33,531	33,531	-	-	-	-	33,531	33,531	-
249	249	-	-	-	-	249	249	-
34,180	**34,180**	**-**	**-**	**-**	**-**	**34,180**	**34,180**	**-**
349	349	-	-	-	-	349	349	-
-	-	-	88	88	-	88	88	-
4,299	4,299	-	-	-	-	4,299	4,299	-
100	100	-	-	-	-	100	100	-
203,180	203,180	-	-	-	-	203,180	203,180	-
207,928	**207,928**	**-**	**88**	**88**	**-**	**208,016**	**208,016**	**-**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
University Of Alabama - Huntsville			
Support of State Universities: University Of Alabama-Huntsville-Operations and Maintenance	-	-	-
Total University Of Alabama - Huntsville	**-**	**-**	**-**
University Of Alabama - Tuscaloosa			
Support - Other Educational Activities: VAT-In Service	-	-	-
Support of State Universities	-	-	-
Support of State Universities: Bevill Adv. Electronics Center	-	-	-
Support of State Universities: Bevill Center For Adv Telecom	-	-	-
Support of State Universities: Michael Figures Museum	-	-	-
Support of State Universities: School Fest	-	-	-
Support of State Universities: UA-Alabama Minority Technical Network	-	-	-
Support of State Universities: UA-Alabama Technical Network	-	-	-
Support of State Universities: University Of Alabama-Mobile Engineer	-	-	-
Support of State Universities: University Of Alabama-Tuscaloosa-Operations and Maintenance	-	-	-
Total University Of Alabama - Tuscaloosa	**-**	**-**	**-**
University of Montevallo			
Support of State Universities: University Of Montevallo-Operations and Maintenance	-	-	-
Support of State Universities: University Of Montevallo:In-Service Center	-	-	-
Total University of Montevallo	**-**	**-**	**-**
University of North Alabama			
Support - Other Educational Activities: University Of North Alabama-In Service	-	-	-
Support of State Universities: University Of North Alabama-Operations and Maintenance	-	-	-
Total University of North Alabama	**-**	**-**	**-**
University of South Alabama			
Support - Other Educational Activities: University of South Alabama-In Service	-	-	-
Support of State Universities: University Of South Alabama-Operations and Maintenance	-	-	-
Total University of South Alabama	**-**	**-**	**-**
University of West Alabama			
Support of State Universities: University of West Alabama-Operations and Maintenance	-	-	-
Total University of West Alabama	**-**	**-**	**-**
TOTAL COLLEGES AND UNIVERSITIES	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
35,239	35,239	-	-	-	-	35,239	35,239	-
35,239	**35,239**	**-**	**-**	**-**	**-**	**35,239**	**35,239**	**-**
195	195	-	-	-	-	195	195	-
175	175	-	-	-	-	175	175	-
90	90	-	-	-	-	90	90	-
110	110	-	-	-	-	110	110	-
400	400	-	-	-	-	400	400	-
820	820	-	-	-	-	820	820	-
750	750	-	-	-	-	750	750	-
1,750	1,750	-	-	-	-	1,750	1,750	-
58	58	-	-	-	-	58	58	-
114,724	114,724	-	-	-	-	114,724	114,724	-
119,072	**119,072**	**-**	**-**	**-**	**-**	**119,072**	**119,072**	**-**
14,522	14,522	-	-	-	-	14,522	14,522	-
247	247	-	-	-	-	247	247	-
14,769	**14,769**	**-**	**-**	**-**	**-**	**14,769**	**14,769**	**-**
189	189	-	-	-	-	189	189	-
20,470	20,470	-	-	-	-	20,470	20,470	-
20,659	**20,659**	**-**	**-**	**-**	**-**	**20,659**	**20,659**	**-**
385	385	-	-	-	-	385	385	-
79,678	79,678	-	-	-	-	79,678	79,678	-
80,063	**80,063**	**-**	**-**	**-**	**-**	**80,063**	**80,063**	**-**
8,967	8,967	-	-	-	-	8,967	8,967	-
8,967	**8,967**	**-**	**-**	**-**	**-**	**8,967**	**8,967**	**-**
839,869	**839,869**	**-**	**88**	**88**	**-**	**839,957**	**839,957**	**-**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
OTHER			
Academy Of Honor			
Historical Resources Management	5	5	-
Total Academy Of Honor	**5**	**5**	**-**
Accountancy Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Accountancy Board	**-**	**-**	**-**
Aeronautics			
Airport Development and Aeronautics	-	-	-
Airport Improvement Program	-	-	-
Total Aeronautics	**-**	**-**	**-**
Agricultural Museum Board			
Agricultural Promotional Program	-	-	-
Total Agricultural Museum Board	**-**	**-**	**-**
Agriculture and Industries Exhibit Commission			
Agricultural Development Services	35	35	-
Total Agriculture and Industries Exhibit Commission	**35**	**35**	**-**
Agriculture Center Board			
Agricultural Development Services: Fairs and Livestock Shows	165	158	7
Agricultural Development Services: Livestock Coliseum	286	286	-
Agricultural Development Services: Operations	395	370	25
Total Agriculture Center Board	**846**	**814**	**32**
Alabama Law Institute			
Support - Other Educational Activities	462	461	1
Total Alabama Law Institute	**462**	**461**	**1**
Alabama Onsite Wastewater Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Alabama Onsite Wastewater Board	**-**	**-**	**-**
Alabama Revolving Loan Fund Authority			
Capital Outlay	-	-	-
Total Alabama Revolving Loan Fund Authority	**-**	**-**	**-**
Alabama Trusts			
Appropriation Transfers	-	-	-
Fiscal Management	25	10	15
Total Alabama Trusts	**25**	**10**	**15**
Alcoholic Beverage Control Board			
Administrative Services	-	-	-
Alcoholic Beverage Management	-	-	-
Licensing, Regulation and Enforcement	-	-	-
Total Alcoholic Beverage Control Board	**-**	**-**	**-**
Architects Registration Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Architects Registration Board	**-**	**-**	**-**
Archives and History			
Capital Outlay	1,500	180	1,320
Historical Resources Management	2,949	2,949	-
Total Archives and History	**4,449**	**3,129**	**1,320**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	-	-	-	5	5	-
-	**-**	**-**	**-**	**-**	**-**	**5**	**5**	**-**
-	-	-	670	481	189	670	481	189
-	**-**	**-**	**670**	**481**	**189**	**670**	**481**	**189**
-	-	-	760	515	245	760	515	245
-	-	-	300	71	229	300	71	229
-	**-**	**-**	**1,060**	**586**	**474**	**1,060**	**586**	**474**
-	-	-	135	131	4	135	131	4
-	**-**	**-**	**135**	**131**	**4**	**135**	**131**	**4**
-	-	-	-	-	-	35	35	-
-	**-**	**-**	**-**	**-**	**-**	**35**	**35**	**-**
-	-	-	-	-	-	165	158	7
-	-	-	422	312	110	708	598	110
-	-	-	-	-	-	395	370	25
-	**-**	**-**	**422**	**312**	**110**	**1,268**	**1,126**	**142**
75	75	-	-	-	-	537	536	1
75	**75**	**-**	**-**	**-**	**-**	**537**	**536**	**1**
-	-	-	100	96	4	100	96	4
-	**-**	**-**	**100**	**96**	**4**	**100**	**96**	**4**
-	-	-	11,807	11,805	2	11,807	11,805	2
-	**-**	**-**	**11,807**	**11,805**	**2**	**11,807**	**11,805**	**2**
-	-	-	50,662	50,662	-	50,662	50,662	-
-	-	-	20	13	7	45	23	22
-	**-**	**-**	**50,682**	**50,675**	**7**	**50,707**	**50,685**	**22**
-	-	-	8,656	8,554	102	8,656	8,554	102
-	-	-	30,185	30,113	72	30,185	30,113	72
-	-	-	8,286	8,004	282	8,286	8,004	282
-	**-**	**-**	**47,127**	**46,671**	**456**	**47,127**	**46,671**	**456**
-	-	-	282	228	54	282	228	54
-	**-**	**-**	**282**	**228**	**54**	**282**	**228**	**54**
-	-	-	-	-	-	1,500	180	1,320
485	485	-	116	109	7	3,550	3,543	7
485	**485**	**-**	**116**	**109**	**7**	**5,050**	**3,723**	**1,327**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Athlete Agent Regulatory Commission			
Professional and Occupational Licensure and Regulation	-	-	-
Total Athlete Agent Regulatory Commission	**-**	**-**	**-**
Athletic Trainers Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Athletic Trainers Board	**-**	**-**	**-**
Auctioneers Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Auctioneers Board	**-**	**-**	**-**
Banking			
Charter Licensure and Regulation Financial	-	-	-
Total Banking	**-**	**-**	**-**
Board of Adjustment			
Special Services: Damage Claims-Board of Adjustment	8	7	1
Special Services: Death Claims-Board of Adjustment	785	700	85
Special Services: Voided Warrants-Board of Adjustment	48	25	23
Total Board of Adjustment	**841**	**732**	**109**
Building Commission			
Special Services	241	132	109
Total Building Commission	**241**	**132**	**109**
Building Renovation Finance Authority Revenue Account			
Capital Outlay	-	-	-
Total Building Renovation Finance Authority Revenue Account	**-**	**-**	**-**
Child Abuse and Neglect Prevention			
Social Services	-	-	-
Total Child Abuse and Neglect Prevention	**-**	**-**	**-**
Children Services Facilitation			
Human Services	-	-	-
Total Children Services Facilitation	**-**	**-**	**-**
Children's Affairs			
Children's Policy Council	-	-	-
Social Services	378	309	69
Total Children's Affairs	**378**	**309**	**69**
Chiropractic Examiners Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Chiropractic Examiners Board	**-**	**-**	**-**
Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority			
Water Resource Development	249	248	1
Total Choctawhatchee, Pea and Yellow Rivers Watershed Management Authority	**249**	**248**	**1**
Commision on Uniform State Laws			
Special Services	35	33	2
Total Commision on Uniform State Laws	**35**	**33**	**2**
Commission on Aging			
Medicaid Waiver Services	4,496	4,495	1
Non-State	52	52	-
Planning and Advocacy for Elderly	2,288	2,287	1
Total Commission on Aging	**6,836**	**6,834**	**2**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	52	-	52	52	-	52
-	**-**	**-**	**52**	**-**	**52**	**52**	**-**	**52**
-	-	-	40	30	10	40	30	10
-	**-**	**-**	**40**	**30**	**10**	**40**	**30**	**10**
-	-	-	100	81	19	100	81	19
-	**-**	**-**	**100**	**81**	**19**	**100**	**81**	**19**
-	-	-	5,917	5,320	597	5,917	5,320	597
-	**-**	**-**	**5,917**	**5,320**	**597**	**5,917**	**5,320**	**597**
-	-	-	-	-	-	8	7	1
-	-	-	-	-	-	785	700	85
-	-	-	-	-	-	48	25	23
-	**-**	**-**	**-**	**-**	**-**	**841**	**732**	**109**
-	-	-	1,610	1,256	354	1,851	1,388	463
-	**-**	**-**	**1,610**	**1,256**	**354**	**1,851**	**1,388**	**463**
-	-	-	11,950	135	11,815	11,950	135	11,815
-	**-**	**-**	**11,950**	**135**	**11,815**	**11,950**	**135**	**11,815**
-	-	-	6,922	5,610	1,312	6,922	5,610	1,312
-	**-**	**-**	**6,922**	**5,610**	**1,312**	**6,922**	**5,610**	**1,312**
-	-	-	883	666	217	883	666	217
-	**-**	**-**	**883**	**666**	**217**	**883**	**666**	**217**
-	-	-	47	-	47	47	-	47
-	-	-	171	110	61	549	419	130
-	**-**	**-**	**218**	**110**	**108**	**596**	**419**	**177**
-	-	-	207	172	35	207	172	35
-	**-**	**-**	**207**	**172**	**35**	**207**	**172**	**35**
-	-	-	48	29	19	297	277	20
-	**-**	**-**	**48**	**29**	**19**	**297**	**277**	**20**
-	-	-	-	-	-	35	33	2
-	**-**	**-**	**-**	**-**	**-**	**35**	**33**	**2**
-	-	-	9,066	8,590	476	13,562	13,085	477
-	-	-	-	-	-	52	52	-
-	-	-	18,322	17,936	386	20,610	20,223	387
-	**-**	**-**	**27,388**	**26,526**	**862**	**34,224**	**33,360**	**864**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Conservation and Natural Resources			
Administrative Services	-	-	-
Capital Outlay	-	-	-
Game and Fish	-	-	-
Marine Police	-	-	-
Marine Resources	-	-	-
Outdoor Recreation Sites and Services	-	-	-
State Land Management	-	-	-
Total Conservation and Natural Resources	**-**	**-**	**-**
Corrections Institute Finance Authority			
Capital Outlay	-	-	-
Total Corrections Institute Finance Authority	**-**	**-**	**-**
Cosmetology Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Cosmetology Board	**-**	**-**	**-**
Council on The Arts			
Community Arts and Cultural Program	-	-	-
Fine Arts	-	-	-
Total Council on The Arts	**-**	**-**	**-**
Counseling Examiners Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Counseling Examiners Board	**-**	**-**	**-**
Court of Civil Appeals			
Court Operations	2,785	2,672	113
Total Court of Civil Appeals	**2,785**	**2,672**	**113**
Court of Criminal Appeals			
Court Operations	3,138	3,138	-
Total Court of Criminal Appeals	**3,138**	**3,138**	**-**
Credit Union Administration			
Charter Licensure and Regulation Financial	-	-	-
Total Credit Union Administration	**-**	**-**	**-**
Crime Victims Compensation Commission			
Special Services	-	-	-
Total Crime Victims Compensation Commission	**-**	**-**	**-**
Criminal Justice Information Center			
Criminal Justice Infomation Services	2,557	2,554	3
Total Criminal Justice Information Center	**2,557**	**2,554**	**3**
Debt Service and Reserve			
Debt Service	455	431	24
Debt Service: 90 General Obligation Docks Debt Service	967	967	-
Debt Service: 92 Waterway Refunding	3,004	3,004	-
Debt Service: Corrections Institution	1,060	1,060	-
Debt Service: General Obligation 1992 Refunding	-	-	-
Fiscal Management: General Obligation 1992 Refunding	726	726	-
Total Debt Service and Reserve	**6,212**	**6,188**	**24**

Education Trust Fund			Earmarked Funds			Total		
Budget	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
-	-	-	4,817	4,087	730	4,817	4,087	730
-	-	-	11,863	1,315	10,548	11,863	1,315	10,548
-	-	-	22,882	21,324	1,558	22,882	21,324	1,558
-	-	-	6,445	4,900	1,545	6,445	4,900	1,545
-	-	-	4,073	3,689	384	4,073	3,689	384
-	-	-	4,347	4,249	98	4,347	4,249	98
-	-	-	3,630	1,910	1,720	3,630	1,910	1,720
-	**-**	**-**	**58,057**	**41,474**	**16,583**	**58,057**	**41,474**	**16,583**
-	-	-	45	41	4	45	41	4
-	**-**	**-**	**45**	**41**	**4**	**45**	**41**	**4**
-	-	-	750	678	72	750	678	72
-	**-**	**-**	**750**	**678**	**72**	**750**	**678**	**72**
550	546	4	-	-	-	550	546	4
4,201	4,125	76	552	532	20	4,753	4,657	96
4,751	**4,671**	**80**	**552**	**532**	**20**	**5,303**	**5,203**	**100**
-	-	-	315	227	88	315	227	88
-	**-**	**-**	**315**	**227**	**88**	**315**	**227**	**88**
-	-	-	-	-	-	2,785	2,672	113
-	**-**	**-**	**-**	**-**	**-**	**2,785**	**2,672**	**113**
-	-	-	-	-	-	3,138	3,138	-
-	**-**	**-**	**-**	**-**	**-**	**3,138**	**3,138**	**-**
-	-	-	748	519	229	748	519	229
-	**-**	**-**	**748**	**519**	**229**	**748**	**519**	**229**
-	-	-	1,524	1,347	177	1,524	1,347	177
-	**-**	**-**	**1,524**	**1,347**	**177**	**1,524**	**1,347**	**177**
-	-	-	4,980	4,100	880	7,537	6,654	883
-	**-**	**-**	**4,980**	**4,100**	**880**	**7,537**	**6,654**	**883**
-	-	-	-	-	-	455	431	24
-	-	-	-	-	-	967	967	-
-	-	-	-	-	-	3,004	3,004	-
-	-	-	-	-	-	1,060	1,060	-
11,488	8,876	2,612	-	-	-	11,488	8,876	2,612
-	-	-	-	-	-	726	726	-
11,488	**8,876**	**2,612**	**-**	**-**	**-**	**17,700**	**15,064**	**2,636**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Development Office			
Industrial Development: Alabama Development Office	4,242	3,698	544
Promotional Development: ADO-Alabama Film Commission	245	170	75
Total Development Office	**4,487**	**3,868**	**619**
Dieteticians and Nutritionists Examining Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Dieteticians and Nutritionists Examining Board	**-**	**-**	**-**
Director of Finance			
Fiscal Management	1,332	918	414
Total Director of Finance	**1,332**	**918**	**414**
District Attorneys			
Court Operations	20,537	20,515	22
Total District Attorneys	**20,537**	**20,515**	**22**
Drug Education/Awareness Oversight Council			
Support - Other Educational Activities	-	-	-
Total Drug Education/Awareness Oversight Council	**-**	**-**	**-**
Educational Television Commission			
Capital Outlay	-	-	-
Educational Television	-	-	-
Total Educational Television Commission	**-**	**-**	**-**
Electrical Contractors Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Electrical Contractors Board	**-**	**-**	**-**
Electronic Security Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Electronic Security Board	**-**	**-**	**-**
Environmental Management			
Environmental Management	-	-	-
Total Environmental Management	**-**	**-**	**-**
ETF Direct Disbursements			
Debt Service: Auburn University Endowment	-	-	-
Debt Service: Grove Hill Endowment	-	-	-
Debt Service: Montevallo Endowment	-	-	-
Debt Service: University of Alabama Endowment	-	-	-
Employee Benefits: Teachers Retirement System Unused Sick Leave Death Benefits	-	-	-
Financial Assistance: Alabama School of Fine Arts	-	-	-
Financial Assistance: American Legion Scholarships	-	-	-
Special Services: Space Science Exhibit Commission	-	-	-
Support - Other Educational Activities: Dental Scholarships	-	-	-
Support - Other Educational Activities: Marine Environmental	-	-	-
Support - Other Educational Activities: Medical Scholarships	-	-	-
Support - Other Educational Activities: Montgomery Internal Medicine Residency	-	-	-
Support - Other Educational Activities: Music Hall Of Fame	-	-	-
Support - Other Educational Activities: Optometric Scholarships	-	-	-
Total ETF Direct Disbursements	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	100	-	100	4,342	3,698	644
-	-	-	-	-	-	245	170	75
-	**-**	**-**	**100**	**-**	**100**	**4,587**	**3,868**	**719**
-	-	-	90	69	21	90	69	21
-	**-**	**-**	**90**	**69**	**21**	**90**	**69**	**21**
-	-	-	-	-	-	1,332	918	414
-	**-**	**-**	**-**	**-**	**-**	**1,332**	**918**	**414**
-	-	-	-	-	-	20,537	20,515	22
-	**-**	**-**	**-**	**-**	**-**	**20,537**	**20,515**	**22**
793	792	1	-	-	-	793	792	1
793	**792**	**1**	**-**	**-**	**-**	**793**	**792**	**1**
128	-	128	1,000	-	1,000	1,128	-	1,128
9,445	9,440	5	2,985	1,824	1,161	12,430	11,264	1,166
9,573	**9,440**	**133**	**3,985**	**1,824**	**2,161**	**13,558**	**11,264**	**2,294**
-	-	-	325	174	151	325	174	151
-	**-**	**-**	**325**	**174**	**151**	**325**	**174**	**151**
-	-	-	185	128	57	185	128	57
-	**-**	**-**	**185**	**128**	**57**	**185**	**128**	**57**
-	-	-	44,559	33,904	10,655	44,559	33,904	10,655
-	**-**	**-**	**44,559**	**33,904**	**10,655**	**44,559**	**33,904**	**10,655**
20	20	-	-	-	-	20	20	-
1	1	-	-	-	-	1	1	-
359	359	-	-	-	-	359	359	-
61	61	-	-	-	-	61	61	-
600	599	1	-	-	-	600	599	1
4,075	4,075	-	-	-	-	4,075	4,075	-
113	87	26	-	-	-	113	87	26
400	400	-	-	-	-	400	400	-
122	122	-	-	-	-	122	122	-
2,988	2,988	-	-	-	-	2,988	2,988	-
469	469	-	-	-	-	469	469	-
235	235	-	-	-	-	235	235	-
146	146	-	-	-	-	146	146	-
103	103	-	-	-	-	103	103	-
9,692	**9,665**	**27**	**-**	**-**	**-**	**9,692**	**9,665**	**27**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
ETF Non-State			
Direct Client Services-Handicap: Bevill Adv Electronics Center	-	-	-
Direct Client Services-Handicap: Camp ASCCA	-	-	-
Direct Client Services-Handicap: Cerebral Palsy Housing	-	-	-
Direct Client Services-Handicap: Simpson-May Cerebral Palsy	-	-	-
Direct Client Services-Handicap: United Cerebral Palsey Of West Alabama	-	-	-
Direct Client Services-Handicap: United Cerebral Palsey Of Northwest Alabama	-	-	-
Direct Client Services-Handicap: United Cerebral Palsy Alabama, Inc	-	-	-
Direct Client Services-Handicap: United Cerebral Palsy/E Central	-	-	-
Direct Client Services-Handicap: United Cerebral Palsy/Huntsville	-	-	-
Direct Client Services-Handicap: United Cerebral Palsy/Mobile	-	-	-
Educational Museum Services	-	-	-
Educational Museum Services: Birmingham Museum Of Art	-	-	-
Educational Museum Services: Children's Hands On Museum	-	-	-
Educational Museum Services: Constitution Hall Village	-	-	-
Educational Museum Services: Exploreum Museum	-	-	-
Educational Museum Services: Project Dare-NE Alabama	-	-	-
Educational Theatrer	-	-	-
Educational Theatrer: Children's Theatre Of Alabama	-	-	-
Financial Assistance: DAR School	-	-	-
Fine Arts: Humanities Foundation	-	-	-
Human Services: East Alabama Child Development	-	-	-
Personal Health Services: AIDS Task Force	-	-	-
Personal Health Services: Bevill Center - Brewton	-	-	-
Personal Health Services: Epilepsy Foundation	-	-	-
Planning And Coordination Services: Sports Festival	-	-	-
Sickle Cell Education	-	-	-
Sickle Cell Education: Children's and Women's Sickle Cell	-	-	-
Sickle Cell Education: Children's Hospital/Sickle Cell	-	-	-
Sickle Cell Education: North Alabama Sickle Cell	-	-	-
Sickle Cell Education: North Central Sickle Cell	-	-	-
Sickle Cell Education: Sickle Cell - Greater Montgomery	-	-	-
Sickle Cell Education: Sickle Cell - Gulf Coast	-	-	-
Sickle Cell Education: Southeast Alabama Sickle Cell	-	-	-
Sickle Cell Education: Tri County/West Central Sickle Cell	-	-	-
Sickle Cell Education: West Alabama Sickle Cell	-	-	-
Support - Other Educational Activities: Black Belt Human Resource	-	-	-
Support - Other Educational Activities: Center For Family Strengths	-	-	-
Support - Other Educational Activities: Central Alabama OIC	-	-	-
Support - Other Educational Activities: Children's & Women's Hospital	-	-	-
Support - Other Educational Activities: Children's Hospital	-	-	-
Support - Other Educational Activities: Helen Keller Eye Research	-	-	-
Support - Other Educational Activities: League For Advancement	-	-	-
Support - Other Educational Activities: Lyman Ward Military Academy	-	-	-
Support - Other Educational Activities: Marion Military Institute	-	-	-
Support - Other Educational Activities: Talladega College	-	-	-
Support - Other Educational Activities: Tuskegee University	-	-	-
Support - Other Educational Activities: Twenty First Centry	-	-	-
Support - Other Educational Activities: YMCA Youth and Government	-	-	-

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
50	50	-	-	-	-	50	50	-
500	500	-	-	-	-	500	500	-
50	50	-	-	-	-	50	50	-
300	300	-	-	-	-	300	300	-
50	50	-	-	-	-	50	50	-
33	33	-	-	-	-	33	33	-
500	500	-	-	-	-	500	500	-
163	163	-	-	-	-	163	163	-
49	49	-	-	-	-	49	49	-
106	106	-	-	-	-	106	106	-
1,300	1,300	-	-	-	-	1,300	1,300	-
125	125	-	-	-	-	125	125	-
650	650	-	-	-	-	650	650	-
250	250	-	-	-	-	250	250	-
625	625	-	-	-	-	625	625	-
-	-	-	-	-	-	-	-	-
5	5	-	-	-	-	5	5	-
350	350	-	-	-	-	350	350	-
100	100	-	-	-	-	100	100	-
250	250	-	-	-	-	250	250	-
1,180	1,180	-	-	-	-	1,180	1,180	-
300	300	-	-	-	-	300	300	-
40	40	-	-	-	-	40	40	-
60	60	-	-	-	-	60	60	-
150	150	-	-	-	-	150	150	-
134	134	-	-	-	-	134	134	-
244	244	-	-	-	-	244	244	-
49	49	-	-	-	-	49	49	-
163	163	-	-	-	-	163	163	-
270	270	-	-	-	-	270	270	-
149	149	-	-	-	-	149	149	-
251	251	-	-	-	-	251	251	-
175	175	-	-	-	-	175	175	-
111	111	-	-	-	-	111	111	-
65	65	-	-	-	-	65	65	-
47	47	-	-	-	-	47	47	-
50	50	-	-	-	-	50	50	-
106	106	-	-	-	-	106	106	-
683	683	-	-	-	-	683	683	-
950	950	-	-	-	-	950	950	-
308	308	-	-	-	-	308	308	-
129	129	-	-	-	-	129	129	-
228	228	-	-	-	-	228	228	-
489	489	-	-	-	-	489	489	-
473	473	-	-	-	-	473	473	-
5,070	5,070	-	-	-	-	5,070	5,070	-
60	60	-	-	-	-	60	60	-
18	18	-	-	-	-	18	18	-

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Total ETF Non-State	**-**	**-**	**-**
Ethics Commission			
Regulation of Public Officials and Employees	967	966	1
Total Ethics Commission	**967**	**966**	**1**
Farmers' Market Authority			
Agricultural Development Services	481	477	4
Capital Outlay	-	-	-
Total Farmers' Market Authority	**481**	**477**	**4**
Finance Special Appropriations			
Administration Service and Logistical Supply: Removal of Prisoners	500	480	20
Court Operations: Court Cost-Act 558, 1957	-	-	-
Criminal Investigation: Arrest of Absconding Felons	60	50	10
Executive Direction: Governors' Widow Retirement	14	14	-
Fiscal Management: CMIA	500	343	157
Fiscal Management: Employee Suggestion Awards Program	10	-	10
Institutional Service Corrections: Feeding of Prisoners	6,200	6,199	1
Legal Advice and Legal Service: Automatic Appeal Expense	40	3	37
Legal Advice and Legal Service: Court Assessed Cost not Provided	272	272	-
Legal Advice and Legal Service: Law Enforcement Legal Defense	2	-	2
Special Services: Court Assessed Cost not Provided	2,500	2,499	1
Special Services: Election Expenses	6,300	6,300	-
Special Services: Emergency Fund, Departmental	3,170	3,139	31
Special Services: Freddie Lee Gaines	100	100	-
Special Services: Registration of Voters	2,800	2,542	258
Total Finance Special Appropriations	**22,468**	**21,941**	**527**
Finance Special Funds			
Appropriation Transfers	-	-	-
Fiscal Management	2,500	-	2,500
Non-State	-	-	-
Special Services	-	-	-
Total Finance Special Funds	**2,500**	**-**	**2,500**
Foreign Trade Relations Commission			
Special Services	102	64	38
Total Foreign Trade Relations Commission	**102**	**64**	**38**
Forensic Sciences			
Forensic Science Services	7,226	6,933	293
Total Forensic Sciences	**7,226**	**6,933**	**293**
Foresters Registration Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Foresters Registration Board	**-**	**-**	**-**
Forestry Commission			
Capital Outlay	-	-	-
Forest Resources Protection and Development	-	-	-
Total Forestry Commission	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
17,408	**17,408**	**-**	**-**	**-**	**-**	**17,408**	**17,408**	**-**
-	-	-	-	-	-	967	966	1
-	**-**	**-**	**-**	**-**	**-**	**967**	**966**	**1**
-	-	-	155	46	109	636	523	113
-	-	-	-	-	-	-	-	-
-	**-**	**-**	**155**	**46**	**109**	**636**	**523**	**113**
-	-	-	-	-	-	500	480	20
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	60	50	10
-	-	-	-	-	-	14	14	-
-	-	-	-	-	-	500	343	157
-	-	-	-	-	-	10	-	10
-	-	-	-	-	-	6,200	6,199	1
-	-	-	-	-	-	40	3	37
-	-	-	-	-	-	272	272	-
-	-	-	-	-	-	2	-	2
-	-	-	-	-	-	2,500	2,499	1
-	-	-	-	-	-	6,300	6,300	-
-	-	-	-	-	-	3,170	3,139	31
-	-	-	-	-	-	100	100	-
-	-	-	-	-	-	2,800	2,542	258
-	**-**	**-**	**-**	**-**	**-**	**22,468**	**21,941**	**527**
-	-	-	117,000	116,420	580	117,000	116,420	580
-	-	-	-	-	-	2,500	-	2,500
-	-	-	16,000	15,319	681	16,000	15,319	681
-	-	-	1,552	1,552	-	1,552	1,552	-
-	**-**	**-**	**134,552**	**133,291**	**1,261**	**137,052**	**133,291**	**3,761**
-	-	-	-	-	-	102	64	38
-	**-**	**-**	**-**	**-**	**-**	**102**	**64**	**38**
-	-	-	8,082	6,706	1,376	15,308	13,639	1,669
-	**-**	**-**	**8,082**	**6,706**	**1,376**	**15,308**	**13,639**	**1,669**
-	-	-	136	81	55	136	81	55
-	**-**	**-**	**136**	**81**	**55**	**136**	**81**	**55**
-	-	-	968	41	927	968	41	927
-	-	-	29,191	28,151	1,040	29,191	28,151	1,040
-	**-**	**-**	**30,159**	**28,192**	**1,967**	**30,159**	**28,192**	**1,967**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Forever Wild Land Trust			
Administrative Services	-	-	-
Capital Outlay	-	-	-
Total Forever Wild Land Trust	**-**	**-**	**-**
Fringe Benefit Accounts			
Fringe Benefits: Judicial Retirement - GF Share	948	948	-
Total Fringe Benefit Accounts	**948**	**948**	**-**
Funeral Services Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Funeral Services Board	**-**	**-**	**-**
General Contractors Licensing Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total General Contractors Licensing Board	**-**	**-**	**-**
General Fund Direct Disbursements			
Fine Arts: Music Hall of Fame	246	246	-
Historical Resources Management: Cahaba Advisory Committee	365	365	-
Historical Resources Management: Gorgas Memorial Board	4	4	-
Historical Resources Management: Historic Chattahoochee Commission	168	168	-
Historical Resources Management: Historic Ironworks Commission	386	386	-
Historical Resources Management: St. Stephens Historical Commission	250	250	-
Historical Resources Management: Women's Hall of Fame	13	13	-
Mineral, Energy, and Water Resources: Southern States Energy Board	22	22	-
Special Services: Southern Growth Policies Board	29	29	-
Tourism and Travel Promotion: Historic Blakeley Authority	425	425	-
Tourism and Travel Promotion: Motor Sports Hall of Fame	132	132	-
Water Resource Development: Bear Creek Development Authority	38	38	-
Water Resource Development: Choccolocco Creek Watershed	20	20	-
Water Resource Development: Elk River Development	21	21	-
Water Resource Development: Tennessee-Tombigbee Waterway	110	110	-
Total General Fund Direct Disbursements	**2,229**	**2,229**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	3,849	1,082	2,767	3,849	1,082	2,767
-	-	-	8,463	7,260	1,203	8,463	7,260	1,203
-	**-**	**-**	**12,312**	**8,342**	**3,970**	**12,312**	**8,342**	**3,970**
-	-	-	-	-	-	948	948	-
-	**-**	**-**	**-**	**-**	**-**	**948**	**948**	**-**
-	-	-	177	161	16	177	161	16
-	**-**	**-**	**177**	**161**	**16**	**177**	**161**	**16**
-	-	-	1,218	810	408	1,218	810	408
-	**-**	**-**	**1,218**	**810**	**408**	**1,218**	**810**	**408**
-	-	-	-	-	-	246	246	-
-	-	-	-	-	-	365	365	-
-	-	-	-	-	-	4	4	-
-	-	-	-	-	-	168	168	-
-	-	-	-	-	-	386	386	-
-	-	-	-	-	-	250	250	-
-	-	-	-	-	-	13	13	-
-	-	-	-	-	-	22	22	-
-	-	-	-	-	-	29	29	-
-	-	-	-	-	-	425	425	-
-	-	-	-	-	-	132	132	-
-	-	-	-	-	-	38	38	-
-	-	-	-	-	-	20	20	-
-	-	-	-	-	-	21	21	-
-	-	-	-	-	-	110	110	-
-	**-**	**-**	**-**	**-**	**-**	**2,229**	**2,229**	**-**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
General Fund Non-State			
Non-State: AIDS-Task Force	53	53	-
Non-State: Alabama Travel Council	75	75	-
Non-State: Alabama's Young Woman of The Year	13	13	-
Non-State: America's Young Woman of The Year	56	56	-
Non-State: Autism Society of Alabama	38	38	-
Non-State: Beacon House-Jasper	26	26	-
Non-State: Bessemer Cut-Off Advocacy Center	94	94	-
Non-State: Blount County Children's Advocacy Center	94	94	-
Non-State: Boys and Girls Clubs of Alabama	500	500	-
Non-State: Butler County Children's Advocacy Center	94	94	-
Non-State: Calhoun-Cleburne Children's Center	94	94	-
Non-State: Care House, Inc	94	94	-
Non-State: Child Advocacy Center, Inc	94	94	-
Non-State: Children's Advocacy Center of Cullman County	94	94	-
Non-State: Children's Advocacy Center of East Alabama	94	94	-
Non-State: Children's Advocacy Center of Marshall County	94	94	-
Non-State: Coalition Against Domestic Violence	601	601	-
Non-State: Community Foundation-SW Alabama	50	50	-
Non-State: Coosa-Alabama River Improvement	93	93	-
Non-State: Council on Child Abuse	144	144	-
Non-State: Dekalb County Children's Advocacy Center	94	94	-
Non-State: Elyton Recovery Center	62	62	-
Non-State: Gadsden-Etowah County Child Advocacy Court	94	94	-
Non-State: Kidney Foundation, Inc	281	281	-
Non-State: Lighthouse Counseling Center	23	23	-
Non-State: Montgomery Child Protection and Advocacy Center	94	94	-
Non-State: Montgomery Minority Business Development Center	100	100	-
Non-State: National Children's Advocacy Center	94	94	-
Non-State: Network of Children's Advocacy Centers	225	225	-
Non-State: Nortwest Alabama Children's Advocacy Center	94	94	-
Non-State: Parkinson Association of Alabama	64	64	-
Non-State: Prescott House	94	94	-
Non-State: Retired Senior Volunteer Program	219	219	-
Non-State: Russell County Children's Advocacy Center	94	94	-
Non-State: Shelby County Advocacy Center	94	94	-
Non-State: Shoals Entrepreneurial Center	100	100	-
Non-State: Southeast Alabama Child Advocacy Center	94	94	-
Non-State: St. Claire County Child Advocacy	94	94	-
Non-State: Tri-Rivers Waterway Development	63	63	-
Non-State: Tuscaloosa Children's Center	94	94	-
Non-State: Warrior-Tombigbee Development	70	70	-
Total General Fund Non-State	**4,736**	**4,736**	**-**
Geological Survey			
Mineral, Energy, and Water Resources	2,151	2,130	21
Total Geological Survey	**2,151**	**2,130**	**21**
Governor's Mansion Advisory Board			
Historical Resources Management	-	-	-
Total Governor's Mansion Advisory Board	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	-	-	-	53	53	-
-	-	-	-	-	-	75	75	-
-	-	-	-	-	-	13	13	-
-	-	-	-	-	-	56	56	-
-	-	-	-	-	-	38	38	-
-	-	-	-	-	-	26	26	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	500	500	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	601	601	-
-	-	-	-	-	-	50	50	-
-	-	-	-	-	-	93	93	-
-	-	-	-	-	-	144	144	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	62	62	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	281	281	-
-	-	-	-	-	-	23	23	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	100	100	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	225	225	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	64	64	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	219	219	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	100	100	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	63	63	-
-	-	-	-	-	-	94	94	-
-	-	-	-	-	-	70	70	-
-	**-**	**-**	**-**	**-**	**-**	**4,736**	**4,736**	**-**
-	-	-	1,150	1,120	30	3,301	3,250	51
-	**-**	**-**	**1,150**	**1,120**	**30**	**3,301**	**3,250**	**51**
-	-	-	6	-	6	6	-	6
-	**-**	**-**	**6**	**-**	**6**	**6**	**-**	**6**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Governor's Office on Disability			
Executive Direction	200	188	12
Total Governor's Office on Disability	**200**	**188**	**12**
Health Planning and Development			
Health Planning Development and Regulation	-	-	-
Total Health Planning and Development	**-**	**-**	**-**
Hearing Instrument Dealers Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Hearing Instrument Dealers Board	**-**	**-**	**-**
Heating and Air Conditioning Contractors Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Heating and Air Conditioning Contractors Board	**-**	**-**	**-**
High School of Math and Science			
Financial Assistance	-	-	-
Total High School of Math and Science	**-**	**-**	**-**
Historical Commission			
Capital Outlay: Alabama Historical Commission	-	-	-
Capital Outlay: Cahaba	-	-	-
Historical Resources Management	-	-	-
Historical Resources Management: Alabama Historical Commission	-	-	-
Historical Resources Management: Aliceville POW Museum	-	-	-
Historical Resources Management: Cahaba	-	-	-
Historical Resources Management: Capitol Preservation	-	-	-
Historical Resources Management: Childersburg Heritage Foundation	-	-	-
Historical Resources Management: City Of Mobile Museum	-	-	-
Historical Resources Management: Confederate Park-Soldier Fund	-	-	-
Historical Resources Management: Court House In Monroeville	-	-	-
Historical Resources Management: Donnell House	-	-	-
Historical Resources Management: Fendall Hall	-	-	-
Historical Resources Management: Fort Morgan	-	-	-
Historical Resources Management: Fort Toulouse	-	-	-
Historical Resources Management: Ft Payne, Bridgeport, Stevenson	-	-	-
Historical Resources Management: Gaineswood	-	-	-
Historical Resources Management: Hank Williams Museum	-	-	-
Historical Resources Management: Helen Keller Birthplace	-	-	-
Historical Resources Management: Houston Library-Athens	-	-	-
Historical Resources Management: J T Morgan House	-	-	-
Historical Resources Management: Joe Wheeler House	-	-	-
Historical Resources Management: La Grange	-	-	-
Historical Resources Management: Magnolia Grove	-	-	-
Total Historical Commission	**-**	**-**	**-**
Home Builders Licensure Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Home Builders Licensure Board	**-**	**-**	**-**
Incentives Financing Authority			
Capital Outlay	-	-	-
Total Incentives Financing Authority	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	30	10	20	230	198	32
-	**-**	**-**	**30**	**10**	**20**	**230**	**198**	**32**
-	-	-	1,183	909	274	1,183	909	274
-	**-**	**-**	**1,183**	**909**	**274**	**1,183**	**909**	**274**
-	-	-	54	24	30	54	24	30
-	**-**	**-**	**54**	**24**	**30**	**54**	**24**	**30**
-	-	-	493	420	73	493	420	73
-	**-**	**-**	**493**	**420**	**73**	**493**	**420**	**73**
5,312	5,310	2	-	-	-	5,312	5,310	2
5,312	**5,310**	**2**	**-**	**-**	**-**	**5,312**	**5,310**	**2**
-	-	-	597	307	290	597	307	290
-	-	-	265	-	265	265	-	265
-	-	-	175	125	50	175	125	50
-	-	-	3,843	2,812	1,031	3,843	2,812	1,031
-	-	-	10	10	-	10	10	-
-	-	-	266	220	46	266	220	46
-	-	-	1,020	934	86	1,020	934	86
-	-	-	25	-	25	25	-	25
-	-	-	50	50	-	50	50	-
-	-	-	343	191	152	343	191	152
-	-	-	25	-	25	25	-	25
-	-	-	20	20	-	20	20	-
-	-	-	140	126	14	140	126	14
-	-	-	390	324	66	390	324	66
-	-	-	299	288	11	299	288	11
-	-	-	60	49	11	60	49	11
-	-	-	96	92	4	96	92	4
-	-	-	38	38	-	38	38	-
-	-	-	50	50	-	50	50	-
-	-	-	30	30	-	30	30	-
-	-	-	8	8	-	8	8	-
-	-	-	88	83	5	88	83	5
-	-	-	35	35	-	35	35	-
-	-	-	69	55	14	69	55	14
-	**-**	**-**	**7,942**	**5,847**	**2,095**	**7,942**	**5,847**	**2,095**
-	-	-	1,535	1,233	302	1,535	1,233	302
-	**-**	**-**	**1,535**	**1,233**	**302**	**1,535**	**1,233**	**302**
-	-	-	56,525	19,828	36,697	56,525	19,828	36,697
-	**-**	**-**	**56,525**	**19,828**	**36,697**	**56,525**	**19,828**	**36,697**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Indian Affairs Commission			
Social Services	206	200	6
Total Indian Affairs Commission	**206**	**200**	**6**
Insurance			
Regulatory Services	-	-	-
Total Insurance	**-**	**-**	**-**
Interior Designers Registration Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Interior Designers Registration Board	**-**	**-**	**-**
International Airport Authority			
Airport Development and Aeronautics	72	38	34
Total International Airport Authority	**72**	**38**	**34**
Interpreters and Transliterators			
Professional and Occupational Licensure and Regulation	-	-	-
Total Interpreters and Transliterators	**-**	**-**	**-**
Joint Legislative Oversight Committee on Community Service			
Alabama Community Service Grant	-	-	-
Total Joint Legislative Oversight Committee on Community Service	**-**	**-**	**-**
Judicial Building Authority			
Capital Outlay	-	-	-
Total Judicial Building Authority	**-**	**-**	**-**
Judicial Inquiry Commission			
Administrative Services	234	234	-
Total Judicial Inquiry Commission	**234**	**234**	**-**
Knight vs. Alabama Financial Obligation			
Support of State Universities: Attorney's Fees	-	-	-
Support of State Universities: Electrical/Mechnical Engineering Programs-Alabama A&M	-	-	-
Support of State Universities: Ext System-Urban/Non Trade Programs-Alabama A&M	-	-	-
Support of State Universities: Scholarships To Diversify-ASU	-	-	-
Support of State Universities: Trust for Educational Excellence, Base-Alabama A&M	-	-	-
Support of State Universities: Trust for Educational Excellence, Base-Alabama State	-	-	-
Support of State Universities: Trust for Educational Excellence, Match-Alabama A&M	-	-	-
Support of State Universities: Trust for Educational Excellence, Match-Alabama State	-	-	-
Total Knight vs. Alabama Financial Obligation	**-**	**-**	**-**
Labor			
Regulatory Services	355	284	71
Total Labor	**355**	**284**	**71**
Landscape Architect Examining Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Landscape Architect Examining Board	**-**	**-**	**-**
Legislative Council			
Legislative Operations and Support	492	470	22
Total Legislative Council	**492**	**470**	**22**
Legislative Fiscal Office			
Legislative Operations and Support	1,420	1,348	72
Total Legislative Fiscal Office	**1,420**	**1,348**	**72**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	45	39	6	251	239	12
-	**-**	**-**	**45**	**39**	**6**	**251**	**239**	**12**
-	-	-	5,472	3,726	1,746	5,472	3,726	1,746
-	**-**	**-**	**5,472**	**3,726**	**1,746**	**5,472**	**3,726**	**1,746**
-	-	-	30	18	12	30	18	12
-	**-**	**-**	**30**	**18**	**12**	**30**	**18**	**12**
-	-	-	-	-	-	72	38	34
-	**-**	**-**	**-**	**-**	**-**	**72**	**38**	**34**
-	-	-	30	9	21	30	9	21
-	**-**	**-**	**30**	**9**	**21**	**30**	**9**	**21**
10,000	9,999	1	-	-	-	10,000	9,999	1
10,000	**9,999**	**1**	**-**	**-**	**-**	**10,000**	**9,999**	**1**
-	-	-	1	1	-	1	1	-
-	**-**	**-**	**1**	**1**	**-**	**1**	**1**	**-**
-	-	-	-	-	-	234	234	-
-	**-**	**-**	**-**	**-**	**-**	**234**	**234**	**-**
1,848	322	1,526	-	-	-	1,848	322	1,526
1,167	1,167	-	-	-	-	1,167	1,167	-
183	183	-	-	-	-	183	183	-
732	732	-	-	-	-	732	732	-
1,000	1,000	-	-	-	-	1,000	1,000	-
1,000	1,000	-	-	-	-	1,000	1,000	-
508	508	-	-	-	-	508	508	-
1,000	1,000	-	-	-	-	1,000	1,000	-
7,438	**5,912**	**1,526**	**-**	**-**	**-**	**7,438**	**5,912**	**1,526**
-	-	-	136	129	7	491	413	78
-	**-**	**-**	**136**	**129**	**7**	**491**	**413**	**78**
-	-	-	60	38	22	60	38	22
-	**-**	**-**	**60**	**38**	**22**	**60**	**38**	**22**
-	-	-	-	-	-	492	470	22
-	**-**	**-**	**-**	**-**	**-**	**492**	**470**	**22**
-	-	-	-	-	-	1,420	1,348	72
-	**-**	**-**	**-**	**-**	**-**	**1,420**	**1,348**	**72**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Legislative Reference Service			
Legislative Operations and Support: Code Supplement-LRS	115	90	25
Legislative Operations and Support: Legislative Reference Service	2,222	2,136	86
Total Legislative Reference Service	**2,337**	**2,226**	**111**
Lieutenant Governor			
Legislative Operations and Support	752	480	272
Total Lieutenant Governor	**752**	**480**	**272**
Liquefied Petroleum Gas Board			
Regulatory Services	-	-	-
Total Liquefied Petroleum Gas Board	**-**	**-**	**-**
Marriage and Family Therapy Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Marriage and Family Therapy Board	**-**	**-**	**-**
Massage Therapy Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Massage Therapy Board	**-**	**-**	**-**
Men's Hall of Fame			
Historical Resources Management	20	14	6
Total Men's Hall of Fame	**20**	**14**	**6**
Military			
Capital Outlay: Capital Outlay	-	-	-
Military Operations	-	-	-
Military Operations: Active Military Service	508	470	38
Military Operations: Dropping Allowance	1	-	1
Military Operations: Operations	1,407	1,398	9
Military Operations: Operations and Maintenance	1,941	1,935	6
Military Operations: Quartering Allowance to Headquarters	1,450	1,450	-
Military Operations: State Defense Force	30	28	2
Total Military	**5,337**	**5,281**	**56**
Nursing Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Nursing Board	**-**	**-**	**-**
Nursing Home Administration Examining Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Nursing Home Administration Examining Board	**-**	**-**	**-**
Occupational Therapy Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Occupational Therapy Board	**-**	**-**	**-**
Office of National and Community Service			
Executive Direction	112	110	2
Total Office of National and Community Service	**112**	**110**	**2**
Office Of Prosecution Services			
Prosecution Training Education and Management	341	341	-
Total Office Of Prosecution Services	**341**	**341**	**-**
Oil and Gas Board			
Management and Regulation of Oil and Gas Exploration/Development	2,125	2,124	1
Total Oil and Gas Board	**2,125**	**2,124**	**1**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	-	-	-	115	90	25
-	-	-	-	-	-	2,222	2,136	86
-	**-**	**-**	**-**	**-**	**-**	**2,337**	**2,226**	**111**
-	-	-	-	-	-	752	480	272
-	**-**	**-**	**-**	**-**	**-**	**752**	**480**	**272**
-	-	-	734	442	292	734	442	292
-	**-**	**-**	**734**	**442**	**292**	**734**	**442**	**292**
-	-	-	45	44	1	45	44	1
-	**-**	**-**	**45**	**44**	**1**	**45**	**44**	**1**
-	-	-	75	61	14	75	61	14
-	**-**	**-**	**75**	**61**	**14**	**75**	**61**	**14**
-	-	-	-	-	-	20	14	6
-	**-**	**-**	**-**	**-**	**-**	**20**	**14**	**6**
-	-	-	4,886	4,886	-	4,886	4,886	-
-	-	-	6	-	6	6	-	6
-	-	-	-	-	-	508	470	38
-	-	-	-	-	-	1	-	1
-	-	-	-	-	-	1,407	1,398	9
-	-	-	10,558	9,602	956	12,499	11,537	962
-	-	-	-	-	-	1,450	1,450	-
-	-	-	-	-	-	30	28	2
-	**-**	**-**	**15,450**	**14,488**	**962**	**20,787**	**19,769**	**1,018**
57	55	2	2,999	2,765	234	3,056	2,820	236
57	**55**	**2**	**2,999**	**2,765**	**234**	**3,056**	**2,820**	**236**
-	-	-	96	80	16	96	80	16
-	**-**	**-**	**96**	**80**	**16**	**96**	**80**	**16**
-	-	-	125	70	55	125	70	55
-	**-**	**-**	**125**	**70**	**55**	**125**	**70**	**55**
-	-	-	2,221	1,318	903	2,333	1,428	905
-	**-**	**-**	**2,221**	**1,318**	**903**	**2,333**	**1,428**	**905**
-	-	-	1,912	1,685	227	2,253	2,026	227
-	**-**	**-**	**1,912**	**1,685**	**227**	**2,253**	**2,026**	**227**
-	-	-	195	12	183	2,320	2,136	184
-	**-**	**-**	**195**	**12**	**183**	**2,320**	**2,136**	**184**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Pardons and Paroles			
Administration of Pardons and Paroles	13,782	13,497	285
Total Pardons and Paroles	**13,782**	**13,497**	**285**
Peace Officer Annuity and Benefit			
Retirement Systems	-	-	-
Total Peace Officer Annuity and Benefit	**-**	**-**	**-**
Peace Officer Standards and Training			
Certified Law Enforcement Academy Program	-	-	-
Professional and Occupational Licensure and Regulation	-	-	-
Total Peace Officer Standards and Training	**-**	**-**	**-**
Personnel			
Administrative Support Service	-	-	-
Total Personnel	**-**	**-**	**-**
Physical Fitness Commission			
Advisory Services	-	-	-
Total Physical Fitness Commission	**-**	**-**	**-**
Physical Therapy Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Physical Therapy Board	**-**	**-**	**-**
Plumbers and Gas Fitters Examining Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Plumbers and Gas Fitters Examining Board	**-**	**-**	**-**
Polygraph Examiners			
Professional and Occupational Licensure and Regulation	-	-	-
Total Polygraph Examiners	**-**	**-**	**-**
President Pro Tempore Senate			
Legislative Operations and Support	1,150	669	481
Total President Pro Tempore Senate	**1,150**	**669**	**481**
Proessional Engineers Registration Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Proessional Engineers Registration Board	**-**	**-**	**-**
Professional Geologists Licensing Board			
Mineral, Energy, and Water Resources	-	-	-
Total Professional Geologists Licensing Board	**-**	**-**	**-**
Psychology Examiners Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Psychology Examiners Board	**-**	**-**	**-**
Public Education Employees Health Insurance Board			
Administrative Support Service	-	-	-
Total Public Education Employees Health Insurance Board	**-**	**-**	**-**
Public Library Service			
Public Library Services	-	-	-
Total Public Library Service	**-**	**-**	**-**
Public Livestock Market Board			
Agricultural Development Services	-	-	-
Total Public Livestock Market Board	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	6,427	5,317	1,110	20,209	18,814	1,395
-	**-**	**-**	**6,427**	**5,317**	**1,110**	**20,209**	**18,814**	**1,395**
-	-	-	460	339	121	460	339	121
-	**-**	**-**	**460**	**339**	**121**	**460**	**339**	**121**
613	613	-	450	450	-	1,063	1,063	-
404	401	3	1,005	93	912	1,409	494	915
1,017	**1,014**	**3**	**1,455**	**543**	**912**	**2,472**	**1,557**	**915**
-	-	-	5,796	4,936	860	5,796	4,936	860
-	**-**	**-**	**5,796**	**4,936**	**860**	**5,796**	**4,936**	**860**
259	259	-	5	4	1	264	263	1
259	**259**	**-**	**5**	**4**	**1**	**264**	**263**	**1**
-	-	-	275	158	117	275	158	117
-	**-**	**-**	**275**	**158**	**117**	**275**	**158**	**117**
-	-	-	1,730	1,348	382	1,730	1,348	382
-	**-**	**-**	**1,730**	**1,348**	**382**	**1,730**	**1,348**	**382**
-	-	-	20	10	10	20	10	10
-	**-**	**-**	**20**	**10**	**10**	**20**	**10**	**10**
-	-	-	-	-	-	1,150	669	481
-	**-**	**-**	**-**	**-**	**-**	**1,150**	**669**	**481**
-	-	-	870	687	183	870	687	183
-	**-**	**-**	**870**	**687**	**183**	**870**	**687**	**183**
-	-	-	125	63	62	125	63	62
-	**-**	**-**	**125**	**63**	**62**	**125**	**63**	**62**
-	-	-	187	126	61	187	126	61
-	**-**	**-**	**187**	**126**	**61**	**187**	**126**	**61**
-	-	-	1,282	951	331	1,282	951	331
-	**-**	**-**	**1,282**	**951**	**331**	**1,282**	**951**	**331**
10,951	10,831	120	2,278	2,238	40	13,229	13,069	160
10,951	**10,831**	**120**	**2,278**	**2,238**	**40**	**13,229**	**13,069**	**160**
-	-	-	4	1	3	4	1	3
-	**-**	**-**	**4**	**1**	**3**	**4**	**1**	**3**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
Public School and College Authority			
Capital Outlay	-	-	-
Total Public School and College Authority	**-**	**-**	**-**
Real Estate Appraisers Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Real Estate Appraisers Board	**-**	**-**	**-**
Real Estate Commission			
Professional and Occupational Licensure and Regulation	-	-	-
Total Real Estate Commission	**-**	**-**	**-**
Retirement Systems of Alabama			
Retirement Systems	-	-	-
Total Retirement Systems of Alabama	**-**	**-**	**-**
Securities Commission			
Regulatory Services	-	-	-
Total Securities Commission	**-**	**-**	**-**
Senior Citizens Hall of Fame			
Historical Resources Management	16	15	1
Total Senior Citizens Hall of Fame	**16**	**15**	**1**
Sickle Cell Oversight Commission			
Support - Other Educational Activities	-	-	-
Total Sickle Cell Oversight Commission	**-**	**-**	**-**
Social Work Examiners Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Social Work Examiners Board	**-**	**-**	**-**
Soil and Water Conservation Commission			
Professional and Occupational Licensure and Regulation	-	-	-
Soil Conservation Program	-	-	-
Water Resource Development	2,203	2,168	35
Total Soil and Water Conservation Commission	**2,203**	**2,168**	**35**
Southern Dairy Compact Commission			
Agricultural Development Services	25	-	25
Total Southern Dairy Compact Commission	**25**	**-**	**25**
Speaker of the House			
Speaker of House, Office of	766	447	319
Total Speaker of the House	**766**	**447**	**319**
Speech Pathologists and Audiologists Examining Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Speech Pathologists and Audiologists Examining Board	**-**	**-**	**-**
Sports Hall of Fame Board			
Historical Resources Management	170	170	-
Support - Other Educational Activities	-	-	-
Total Sports Hall of Fame Board	**170**	**170**	**-**
State Bar Association			
Professional and Occupational Licensure and Regulation	-	-	-
Total State Bar Association	**-**	**-**	**-**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	590,343	256,618	333,725	590,343	256,618	333,725
-	**-**	**-**	**590,343**	**256,618**	**333,725**	**590,343**	**256,618**	**333,725**
-	-	-	589	525	64	589	525	64
-	**-**	**-**	**589**	**525**	**64**	**589**	**525**	**64**
-	-	-	2,699	1,651	1,048	2,699	1,651	1,048
-	**-**	**-**	**2,699**	**1,651**	**1,048**	**2,699**	**1,651**	**1,048**
-	-	-	23,053	15,288	7,765	23,053	15,288	7,765
-	**-**	**-**	**23,053**	**15,288**	**7,765**	**23,053**	**15,288**	**7,765**
-	-	-	4,513	3,481	1,032	4,513	3,481	1,032
-	**-**	**-**	**4,513**	**3,481**	**1,032**	**4,513**	**3,481**	**1,032**
-	-	-	-	-	-	16	15	1
-	**-**	**-**	**-**	**-**	**-**	**16**	**15**	**1**
5	3	2	-	-	-	5	3	2
5	**3**	**2**	**-**	**-**	**-**	**5**	**3**	**2**
-	-	-	190	134	56	190	134	56
-	**-**	**-**	**190**	**134**	**56**	**190**	**134**	**56**
-	-	-	5	2	3	5	2	3
21	8	13	-	-	-	21	8	13
-	-	-	830	123	707	3,033	2,291	742
21	**8**	**13**	**835**	**125**	**710**	**3,059**	**2,301**	**758**
-	-	-	-	-	-	25	-	25
-	**-**	**-**	**-**	**-**	**-**	**25**	**-**	**25**
-	-	-	-	-	-	766	447	319
-	**-**	**-**	**-**	**-**	**-**	**766**	**447**	**319**
-	-	-	136	66	70	136	66	70
-	**-**	**-**	**136**	**66**	**70**	**136**	**66**	**70**
-	-	-	-	-	-	170	170	-
200	200	-	-	-	-	200	200	-
200	**200**	**-**	**-**	**-**	**-**	**370**	**370**	**-**
-	-	-	3,599	2,802	797	3,599	2,802	797
-	**-**	**-**	**3,599**	**2,802**	**797**	**3,599**	**2,802**	**797**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	**Actual**	**Variance**
State Employees Insurance Board			
Administrative Support Service	-	-	-
Fringe Benefits	-	-	-
Total State Employees Insurance Board	**-**	**-**	**-**
State Industrial Development Authority			
Industrial Development	-	-	-
Total State Industrial Development Authority	**-**	**-**	**-**
State Tenure Commission			
Regulation	-	-	-
Total State Tenure Commission	**-**	**-**	**-**
Supercomputer Authority			
Administrative Support Service	-	-	-
Total Supercomputer Authority	**-**	**-**	**-**
Supreme Court			
Court Operations	7,116	7,022	94
Total Supreme Court	**7,116**	**7,022**	**94**
Supreme Court Law Library			
Court Operations	1,602	1,597	5
Total Supreme Court Law Library	**1,602**	**1,597**	**5**
Surface Mining Commission			
Industrial Safety and Accident Prevention	-	-	-
Total Surface Mining Commission	**-**	**-**	**-**
Tennessee Valley Exhibit Commission			
Promotional Development	114	114	-
Total Tennessee Valley Exhibit Commission	**114**	**114**	**-**
Tourism and Travel			
Tourism and Travel Promotion	2,123	2,123	-
Total Tourism and Travel	**2,123**	**2,123**	**-**
Twenty-first Century Authority			
Capital Outlay	-	-	-
Total Twenty-first Century Authority	**-**	**-**	**-**
Veterans Affairs			
Administration of Veterans Affairs	6,417	6,113	304
Capital Outlay	350	344	6
Total Veterans Affairs	**6,767**	**6,457**	**310**
Veterinarian Medical Examiners Board			
Professional and Occupational Licensure and Regulation	-	-	-
Total Veterinarian Medical Examiners Board	**-**	**-**	**-**
Voter Registration			
Special Services	407	407	-
Total Voter Registration	**407**	**407**	**-**
Women's Commission			
Employment and Social Opportunities	20	5	15
Total Women's Commission	**20**	**5**	**15**
TOTAL OTHER	**149,522**	**141,048**	**8,474**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
-	-	-	1,781	1,179	602	1,781	1,179	602
-	-	-	410	340	70	410	340	70
-	**-**	**-**	**2,191**	**1,519**	**672**	**2,191**	**1,519**	**672**
-	-	-	350	51	299	350	51	299
-	**-**	**-**	**350**	**51**	**299**	**350**	**51**	**299**
20	20	-	-	-	-	20	20	-
20	**20**	**-**	**-**	**-**	**-**	**20**	**20**	**-**
-	-	-	5,699	5,058	641	5,699	5,058	641
-	**-**	**-**	**5,699**	**5,058**	**641**	**5,699**	**5,058**	**641**
-	-	-	-	-	-	7,116	7,022	94
-	**-**	**-**	**-**	**-**	**-**	**7,116**	**7,022**	**94**
-	-	-	-	-	-	1,602	1,597	5
-	**-**	**-**	**-**	**-**	**-**	**1,602**	**1,597**	**5**
-	-	-	2,468	2,166	302	2,468	2,166	302
-	**-**	**-**	**2,468**	**2,166**	**302**	**2,468**	**2,166**	**302**
-	-	-	284	142	142	398	256	142
-	**-**	**-**	**284**	**142**	**142**	**398**	**256**	**142**
-	-	-	7,471	6,635	836	9,594	8,758	836
-	**-**	**-**	**7,471**	**6,635**	**836**	**9,594**	**8,758**	**836**
-	-	-	51,332	43,831	7,501	51,332	43,831	7,501
-	**-**	**-**	**51,332**	**43,831**	**7,501**	**51,332**	**43,831**	**7,501**
6,729	6,729	-	13,675	10,436	3,239	26,821	23,278	3,543
-	-	-	-	-	-	350	344	6
6,729	**6,729**	**-**	**13,675**	**10,436**	**3,239**	**27,171**	**23,622**	**3,549**
-	-	-	350	276	74	350	276	74
-	**-**	**-**	**350**	**276**	**74**	**350**	**276**	**74**
-	-	-	200	144	56	607	551	56
-	**-**	**-**	**200**	**144**	**56**	**607**	**551**	**56**
-	-	-	-	-	-	20	5	15
-	**-**	**-**	**-**	**-**	**-**	**20**	**5**	**15**
96,274	**91,752**	**4,522**	**1,300,177**	**835,660**	**464,517**	**1,545,973**	**1,068,460**	**477,513**

Continued on next page...

DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	Actual	Variance
TOTAL EXPENDITURES	**$ 901,448**	**$ 884,481**	**$ 16,967**
OPERATING TRANSFERS:			
EDUCATION TRUST FUND OPERATING TRANSFERS			
ACHE - Eminent Scholars	-	-	-
Building Commission	-	-	-
Child Abuse Board	-	-	-
Education Tech Fund Transfer	-	-	-
Finance-Telephone Revolving	-	-	-
Human Resources	-	-	-
Mental Health	-	-	-
Penny Trust Fund	-	-	-
PSCA - Act 90-735	-	-	-
Public School Fund Endowment	-	-	-
Supercomputer	-	-	-
Veterans Affairs	-	-	-
TOTAL EDUCATION TRUST FUND OPERATING TRANSFERS	**-**	**-**	**-**
GENERAL FUND OPERATING TRANSFERS			
ABC Board Tobacco Regulation	200	200	-
ADEM-Hazardous Substance Fund	36	36	-
ADEM-Operations	4,554	4,554	-
Agriculture and Conservation Development Commission	2,165	2,165	-
Alabama Agricultural Museum	135	135	-
Alabama Building Renovation Finance Authority	1,493	1,493	-
Alabama Onsite Wastewater Board	100	100	-
Child Abuse Board	875	875	-
Child Health Insurance Program	9,000	9,000	-
Conservation - Game and Fish	249	249	-
Conservation - Marine Resource	28	28	-
Conservation - Parks	125	125	-
County Government Capital Improvement Fund	8,000	7,660	340
Department of Transportation	125	125	-
Fair Trial Tax Transfer	15,600	15,600	-
Finance - Telephone Revolving	1,270	1,270	-
Forestry Commission	13,699	13,699	-
General Fund Proration Prevention	2,500	2,500	-
Historical Commission	4,520	4,520	-
Human Resources	60,046	60,046	-
Intra General Fund Cash Transfer	-	-	-
Juvenile Justice Council	20	-	20
Mental Health	86,090	86,090	-
Municipal Government Capital Improvement Fund	8,000	7,660	340
Penny Trust Fund	155	155	-
Pollution Grant	725	725	-
Revenue-Ad Valorem Equalization	241	241	-
Surface Mining Commission	608	608	-
TOTAL GENERAL FUND OPERATING TRANSFERS	**220,559**	**219,859**	**700**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
$ 4,064,742	**$ 4,056,412**	**$ 8,330**	**$ 9,728,873**	**$ 7,276,043**	**$ 2,452,830**	**$14,695,063**	**$12,216,936**	**$ 2,478,127**
600	600	-	-	-	-	600	600	-
596	596	-	-	-	-	596	596	-
2,194	2,194	-	-	-	-	2,194	2,194	-
2,475	2,475	-	-	-	-	2,475	2,475	-
3,485	3,485	-	-	-	-	3,485	3,485	-
7,930	7,930	-	-	-	-	7,930	7,930	-
15,893	15,893	-	-	-	-	15,893	15,893	-
155	155	-	-	-	-	155	155	-
6,350	6,350	-	-	-	-	6,350	6,350	-
533	533	-	-	-	-	533	533	-
5,105	5,105	-	-	-	-	5,105	5,105	-
2,953	2,953	-	-	-	-	2,953	2,953	-
48,269	**48,269**	**-**	**-**	**-**	**-**	**48,269**	**48,269**	**-**
-	-	-	-	-	-	200	200	-
-	-	-	-	-	-	36	36	-
-	-	-	-	-	-	4,554	4,554	-
-	-	-	-	-	-	2,165	2,165	-
-	-	-	-	-	-	135	135	-
-	-	-	-	-	-	1,493	1,493	-
-	-	-	-	-	-	100	100	-
-	-	-	-	-	-	875	875	-
-	-	-	-	-	-	9,000	9,000	-
-	-	-	-	-	-	249	249	-
-	-	-	-	-	-	28	28	-
-	-	-	-	-	-	125	125	-
-	-	-	-	-	-	8,000	7,660	340
-	-	-	-	-	-	125	125	-
-	-	-	-	-	-	15,600	15,600	-
-	-	-	-	-	-	1,270	1,270	-
-	-	-	-	-	-	13,699	13,699	-
-	-	-	-	-	-	2,500	2,500	-
-	-	-	-	-	-	4,520	4,520	-
-	-	-	-	-	-	60,046	60,046	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	20	-	20
-	-	-	-	-	-	86,090	86,090	-
-	-	-	-	-	-	8,000	7,660	340
-	-	-	-	-	-	155	155	-
-	-	-	-	-	-	725	725	-
-	-	-	-	-	-	241	241	-
-	-	-	-	-	-	608	608	-
-	**-**	**-**	**-**	**-**	**-**	**220,559**	**219,859**	**700**

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DETAIL SCHEDULE OF BUDGET AND ACTUAL EXPENDITURES
All Agencies and Appropriations, *Non-GAAP, Budget Basis*
(Continued from previous page)

For the Fiscal Year Ended September 30, 2000

(Amounts in Thousands)

	General Fund		
	Budget	Actual	Variance
TOTAL OPERATING TRANSFERS	**$ 220,559**	**$ 219,859**	**$ 700**
TOTAL EXPENDITURES AND OPERATING TRANSFERS	**$ 1,122,007**	**$ 1,104,340**	**$ 17,667**

Education Trust Fund			Earmarked Funds			Total		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
$ 48,269	$ 48,269	$ -	$ -	$ -	$ -	$ 268,828	$ 268,128	$ 700
$ 4,113,011	$ 4,104,681	$ 8,330	$ 9,728,873	$ 7,276,043	$ 2,452,830	$14,963,891	$12,485,064	$ 2,478,827

ALABAMA
TENNESSEE
TENNESSEE RIVER
MISSISSIPPI
GEORGIA
BLACK WARRIOR RIVER
COOSA RIVER
TALLAPOOSA RIVER
CAHABA R.
ALABAMA RIVER
TOMBIGBEE RIVER
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL

STATISTICAL SECTION

REVENUES BY SOURCE
All Governmental Fund Types and Discretely Presented Component Units

For the Last Ten Fiscal Years Ended September 30
(Amounts in Thousands)

Revenue Source	2000	1999	1998	1997	1996
Taxes	$ 6,029,326	$ 5,725,275	$ 5,459,448	$ 5,198,580	$ 4,983,881
Licenses, Permits and Fees	469,307	424,822	411,851	387,774	397,337
Fines, Forfeits, and Court Settlements	164,834	31,053	30,788	26,047	19,850
Investment Income	119,252	73,179	67,012	71,106	68,854
Federal Grants and Reimbursements	4,257,589	3,861,144	3,595,401	3,471,626	3,386,496
Other Revenues	1,152,315	1,067,193	1,019,014	1,000,040	930,166
Total Revenues †	**$ 12,192,623**	**$ 11,182,666**	**$ 10,583,514**	**$ 10,155,173**	**$ 9,786,584**

† *Excludes Expendable Trust Funds*

1995	1994	1993	1992	1991
$ 4,787,938	$ 4,527,877	$ 4,413,143	$ 4,164,020	$ 3,770,520
403,637	425,226	405,138	339,336	317,336
19,061	18,673	18,937	17,467	20,657
58,952	42,529	35,533	47,899	71,494
3,329,901	3,140,985	2,625,313	2,397,896	1,980,375
926,408	831,107	648,610	477,111	477,619
$ 9,525,897	**$ 8,986,397**	**$ 8,146,674**	**$ 7,443,729**	**$ 6,638,001**

EXPENDITURES BY FUNCTION
All Governmental Fund Types and Discretely Presented Governmental Fund Component Units

For the Last Ten Fiscal Years Ended September 30
(Amounts in Thousands)

Function of Government	2000	1999	1998	1997	1996
Current:					
Economic Development and Regulation	$ 59,157	$ 55,385	$ 53,932	$ 103,056	$ 87,706
Education and Cultural Resources	3,484,666	3,242,960	3,136,637	2,982,008	2,781,049
Natural Resources and Recreation	49,404	55,450	45,968	48,738	42,647
Health-Physical and Mental	3,698,846	3,397,254	3,220,091	3,094,370	2,865,898
Social Services	1,145,938	1,126,225	1,090,832	1,082,794	1,133,910
Protection of Persons and Property	558,140	553,516	507,681	464,582	458,316
Transportation	962,505	814,724	720,937	730,068	768,215
General Government	440,908	406,941	387,372	369,382	355,812
Capital Outlay	319,549	159,508	98,576	105,595	83,907
Debt Service:					
Principal Retirement	197,356	121,546	122,352	126,884	133,011
Interest and Other Charges	106,081	60,531	57,936	84,075	68,210
Distributions to Local Governments	322,978	315,404	306,005	293,389	295,854
Total Expenditures †	**$ 11,345,528**	**$ 10,309,444**	**$ 9,748,319**	**$ 9,484,941**	**$ 9,074,535**

† *Excludes Expendable Trust Funds*

1995	1994	1993	1992	1991
$ 94,261	$ 50,927	$ 48,169	$ 49,273	$ 48,651
2,763,646	2,583,887	2,422,101	2,324,359	2,192,361
39,007	37,587	34,403	34,013	33,633
2,739,195	2,492,731	2,304,927	2,141,635	1,661,042
1,194,053	1,163,213	708,250	673,279	594,025
398,489	400,539	343,643	331,329	335,565
726,101	673,251	646,233	526,046	555,093
361,331	336,883	328,927	297,561	308,493
35,581	43,572	49,471	69,616	16,493
98,750	71,395	98,640	76,773	100,856
54,567	71,835	74,244	92,015	84,830
288,623	285,154	279,993	251,121	250,741
$ 8,793,604	**$ 8,210,974**	**$ 7,339,001**	**$ 6,867,020**	**$ 6,181,783**

GENERAL OBLIGATION BONDS RATIOS

Last Ten Fiscal Years

Year	General Obligation Bonds (GOB) $ Millions	GOB Indebtedness $ Per Capita	Ratio of GOB Indebtedness To Assessed Value †	Ratio of GOB Indebtedness To Personal Income
2000	$ 292.5	$ 66	.77%	0.28%
1999	319.1	73	.89	0.33
1998	341.9	79	1.07	0.37
1997	379.6	88	1.30	0.42
1996	417.4	98	1.52	0.49
1995	453.6	107	1.78	0.57
1994	486.4	115	1.97	0.64
1993	516.7	124	2.31	0.72
1992	531.4	129	2.46	0.78
1991	556.6	136	2.67	0.87

† Based on Total Assessed Valuation information provided by the State Department of Revenue.

RATIO OF ANNUAL DEBT SERVICE FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL EXPENDITURES

Last Ten Fiscal Years

(Amounts in Thousands)

Year	Principal	Interest	Total Debt Service	Total General Expenditures	Ratio
2000	$ 28,475	$ 9,809	$ 38,284	$11,345,528	0.34%
1999	54,440	5,404	59,844	10,309,444	0.58
1998	54,320	8,544	62,864	9,748,319	0.64
1997	53,345	11,579	64,924	9,484,941	0.68
1996	50,550	14,370	64,920	9,074,535	0.72
1995	46,210	16,919	63,129	8,793,604	0.72
1994	41,340	18,537	59,877	8,210,974	0.73
1993	38,120	29,276	67,396	7,339,001	0.92
1992	35,510	32,535	68,045	6,867,020	0.99
1991	37,705	35,766	73,471	6,181,783	1.19

SELECTED DEMOGRAPHIC STATISTICS

Last Ten Years

Year	Population (in Thousands)	Per Capita Personal Income	Unemployment Rate	Real Gross State Product (in Billions)**
2000	4,447	$ 23,533 *	4.6%	$ 118.1 *
1999	4,370	22,987	4.8	111.9 *
1998	4,352	21,500	4.2	107.2
1997	4,319	20,700	5.1	94.3
1996	4,273	20,131	5.1	90.8
1995	4,246	18,781	6.3	88.4
1994	4,215	17,925	6.0	83.6
1993	4,182	17,129	7.6	80.0
1992	4,131	16,518	7.4	78.1
1991	4,087	15,612	7.2	76.2

* Estimated
** 1996 Dollars

Sources: Population: U.S. Census Bureau
Unemployment: Alabama Department of Industrial Relations
Other Data: Auburn University at Montgomery,
University Outreach

ASSESSED VALUATION OF PROPERTY SUBJECT TO AD VALOREM TAXATION

Last Ten Years

(Amounts in Thousands)

Year	Real Property	Personal Property	Public Utilities	Motor Vehicles	Total Assessed Valuation
2000	$24,163,844	$5,174,292	$3,508,760	$4,999,654	$37,846,550
1999	23,126,262	5,682,382	3,420,444	3,656,796	35,885,884
1998	20,302,968	4,985,767	3,139,629	3,542,710	31,971,074
1997	18,697,963	4,389,181	3,053,139	3,019,200	29,159,483
1996	17,702,384	3,924,821	3,067,168	2,775,209	27,469,582
1995	16,553,154	3,548,509	3,023,248	2,392,147	25,517,058
1994	16,000,789	3,407,187	3,012,494	2,229,930	24,650,400
1993	14,308,556	3,312,403	2,839,796	1,896,997	22,357,752
1992	13,632,828	3,219,646	2,771,237	1,958,477	21,582,188
1991	13,179,427	3,129,665	2,669,303	1,889,875	20,868,270

Source: Alabama Department of Revenue

TOP TWENTY MANUFACTURING COMPANIES IN ALABAMA

Rank	Parent Company Name	Total Number of Employees	City	State
1	V. F. Corporation	7,454	Reading	PA
2	Russell Corporation	5,373	Alexander City	AL
3	Tyson Foods, Inc.	5,259	Springdale	AR
4	Gold Kist, Inc.	5,067	Atlanta	GA
5	American Cast Iron Pipe Co.	4,626	Birmingham	AL
6	Westpoint Stevens, Inc.	4,346	West Point	GA
7	Walter Industries	4,078	Tampa	FL
8	Blount International, Inc.	4,000	Montgomery	AL
9	SCI Systems, Inc.	3,826	Huntsville	AL
10	Delphi Automotives Systems	3,626	Troy	MI
11	International Paper Co.	3,563	Purchase	NY
12	The Boeing Company	3,150	Seattle	WA
13	Teledyne Technologies, Inc.	3,075	Los Angeles	CA
14	Goodyear Tire & Rubber Co.	2,950	Akron	OH
15	Southern Energy Homes, Inc.	2,926	Addison	AL
16	Shaw Industries, Inc.	2,776	Dalton	GA
17	Daimler Chrysler	2,750	Auburn Hills	MI
18	Cavalier Homes, Inc.	2,498	Addison	AL
19	General Electric Co.	2,476	Fairfield	CT
20	DynCorp	2,258	Reston	VA

Source: Alabama Development Office

COMMERCIAL BANK DEPOSITS

Last Ten Years

(Amounts in Millions)

YEAR *	AMOUNT
1999	$116,768
1998	100,128
1997	71,375
1996	44,438
1995	40,926
1994	39,565
1993	37,373
1992	35,363
1991	33,566
1990	31,881

** Data not available for 2000*

Source: FDIC

CONSTRUCTION IN ALABAMA

Last Ten Years

Housing Starts Authorized by Permits*	**2000†**	**1999**	**1998**	**1997**	**1996**	**1995**	**1994**	**1993**	**1992**	**1991**
Single Family Housing Units	15.65	14.93	14.66	13.63	14.57	12.76	14.44	11.50	11.55	8.84
Multifamily Housing Units	3.78	4.10	5.88	4.10	5.30	6.40	4.69	3.06	2.36	2.44
Total Housing Units	19.43	19.03	20.54	17.73	19.87	19.16	19.13	14.56	13.91	11.28

* Units in Thousands

Authorized Valuation on Housing Units**										
Single Family Housing Units	$ 1,716	$ 1,655	$ 1,501	$ 1,353	$ 1,301	$1,142	$ 1,168	$ 1,046	$ 875	$ 624
Multifamily Housing Units	218	227	289	183	208	287	189	101	65	68
Total Housing Units	1,934	1,882	1,790	1,536	1,509	1,429	1,357	1,147	940	692

** Value in Millions of Dollars

† Preliminary amounts

Source: U.S. Bureau of the Census, Current Construction Reports

GENERAL INFORMATION

Date Entered Union	December 14, 1819
State Capital	Montgomery
Miles of State Highway	10,846
Land Area (Square Miles)	51,718
State Trooper Protection:	
Number of Stations	12
Number of State Troopers	611
Higher Education (Public and Private Universities, Community, and Junior Colleges)	
Number of Campuses in State	69
Number of Educators (Fall 1999)	7,695
Number of Students (Fall 1999)	214,779
Recreation:	
Number of State Parks	24
Area of State Parks (acres)	49,651
Classified and Unclassified State Employees *	36,293

Sources:

- Alabama Department of Transportation
- Alabama Conservation Department - State Parks Division
- Alabama Commission on Higher Education
- Alabama Forestry Division
- Alabama Department of Public Safety
- Alabama Department of Conservation and Natural Resources
- Alabama Personnel Department

* Excludes Colleges and Universities

ALABAMA
TENNESSEE
TENNESSEE RIVER
RIVER
RIVER
MISSISSIPPI
BLACK WARRIOR
COOSA
TALLAPOOSA
GEORGIA
CAHABA R.
RIVER
RIVER
ALABAMA
TOMBIGBEE
CONECUH R.
PEA R.
FLORIDA
Gulf of Mexico
GREAT SEAL